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Arafat Hails His Certain Victory in Historic Vote

West Bank Tensions Mount as Israelis Kill 3 Guerrillas

By Serge Schmemann
New York Times Service

JERUSALEM — Early Saturday morning, Palestinians will begin voting for the first time for their own government, and about the only thing that has not produced suspense is the result.

With the Islamic opposition boycotting the election and Yasser Arafat certain of an overwhelming vote, no one has any doubt that the leadership of the Palestinian Authority in the West Bank and Gaza Strip will remain in the stern hands of Mr. Arafat and Fatah.

Tension mounted Friday after the shooting deaths of three Palestinians by Israeli soldiers at a roadblock outside the West Bank city of Jenin.

Israeli authorities said a Palestinian fired a pistol at an Israeli and wounded him, and Israeli soldiers returned fire, killing all three occupants of the car, who were identified as Hamas members.

Almost immediately, about 2,000 angry Palestinians took to the streets in Jenin, tearing down campaign posters.

Yet the elections for the chairman of the Palestinian Authority and to an 88-member Palestinian Council have assumed dimensions that go far beyond the selection of specific leaders or legislators. On the broadest level, it has come to be viewed as a referendum on Mr. Arafat's approach to peace with Israel, in which the real measure is the turnout.

About a million Palestinians have been registered to vote, and recent polls show that 84 percent intend to cast their ballots, though nobody expects the actual turnout to be that high, especially since rain is forecast. According to various analyses, 75 percent would already amount to a smashing endorsement of the negotiating process.

Mr. Arafat himself is guaranteed of a huge victory over Samiha Khalil, a veteran left-winger who has gathered little support for her lonely challenge.

Though Mr. Arafat's Fatah movement will get the bulk of seats in the council, they will not necessarily represent a monolithic force. Many Fatah members are running against the official Fatah list, and they could form an internal opposition.

In any case, the structure of the new government ensures that Mr. Arafat will retain effective control. But to many commentators, the greatest political importance is not in the outcome, but in the very fact of the elections.

On another level, the voting in Jerusalem has turned into clash of competing claims and myths between Palestinians who declare their ultimate goal to be a state with East Jerusalem as its capital, and Israelis who proclaim Jerusalem to be their indivisible and eternal capital.

The competition has been the source of some of the sharpest disputes between the Israelis and Palestinians in the run-up to the election. Though East Jerusalem is allowed seven seats in the council, Israel insists that they will not represent the city itself, now or ever.

Both sides took extensive precautions against disruption. Israeli security forces were put on high alert, and about 2,000 police were to be deployed in East Jerusalem. The West Bank was sealed off from Israel until Sunday morning, and Israelis were barred from entering any city under Palestinian control, or from driving through Hebron.

Beyond the threats of external disruption, international monitors registered various complaints about the Palestinian campaign and various Israeli measures.

Kevin Maxwell giving the victory sign Friday with his brother, Ian, center, and a member of their defense team.

Maxwell Brothers Acquitted of Fraud

U.K. Verdict Brings Surprise and Embarrassment

By Erik Ipsen
International Herald Tribune

LONDON — Kevin and Ian Maxwell, the sons of the late media tycoon Robert Maxwell, were acquitted Friday in Britain's biggest fraud trial, walking free amid gasps of astonishment from spectators.

It was a major embarrassment for the government and a crushing defeat for the Serious Fraud Office. The office had spent more than £20 million ($30 million) on the case. Opposition politicians were quick to say the outcome of the eight-month trial had cast a serious question mark over the future of the Serious Fraud Office, for which the Maxwell case is but the latest in a string of high-profile setbacks.

While politicians squabbled and prosecutors licked their wounds, the Maxwell brothers rejoiced. "I am very pleased and relieved by my acquittal," said Kevin Maxwell outside the Old Bailey courthouse. A beaming Ian Maxwell turned a happy gaze on his younger brother and proclaimed, "I trusted him then. I trust him now."

Kevin and Ian Maxwell, along with Larry Trachtenberg, a business associate, had been accused of conspiracy to fraudulently misuse £122 million worth of pension fund assets from the Maxwell companies in a furious last-ditch effort to stave off the financial implosion of the tottering empire.

The verdicts in the trial came more than four years after Robert Maxwell disappeared overboard from his yacht as it sailed in calm seas off the Canary Islands. In spite of speculation ranging from murder to suicide, no conclusion

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Ferry Drama Ends, Hijackers Give Up

Yeltsin Hints Rebels Eluded Russian Seige

Washington Post Service

MOSCOW — Russian authorities tried Friday to portray their military operation to free hostages this week as a success, but their own figures suggest that a substantial group of Chechen fighters slipped away along with up to 30 hostages.

Among a flurry of official data made public Friday about the 10-day crisis in southern Russia, the most remarkable came from President Boris N. Yeltsin.

He said at a news conference Friday that 153 of 300 or so fighters were killed and 30 captured. But that would mean some 117 of the Chechens were able to escape a cordon of Russian troops and armor, presumably including their leader, Salman Raduyev, who has not been accounted for.

The prospect of Mr. Raduyev's escape in the company of his men and some hostages set off a new round of withering criticism of the Russian government and military in the media Friday and added to the sense of Russian humiliation surrounding the crisis in Chechnya.

Some commentators mocked Mr. Yeltsin for proclaiming Thursday that Russia had taught the Chechen separatists "a good lesson."

"What kind of lesson to the Dudayev fighters can one possibly talk about when Raduyev has not been found and it is unclear how many terrorists escaped?" wrote Otto Latsis, a columnist for the newspaper Izvestia, in a reference to Dzhokar Dudayev, who leads the Chechen attempt to secede from Russia.

Pavel Felgengauer, military analyst for the newspaper Sevodnya, wrote that

See YELTSIN, Page 4

220 Hostages Are Let Go By Gunmen

By Kelly Couturier
Washington Post Service

ANKARA — Pro-Chechen gunmen holding a ferry hostage in the Black Sea surrendered to the Turkish authorities on Friday near the entrance of the Bosporus, ending a tense odyssey for the 220 passengers and crew of the Avrasya.

Prime Minister Tansu Ciller said the four hijackers threw their weapons into the freezing waters of the Black Sea, left the ferry anchored at the mouth of the strait and were arrested by the police.

The passengers and crew, mostly Russian and Turkish citizens, remained aboard the ferry Friday evening while the police questioned them and searched the ship, according to the Avrasya's captain and the police. Twelve hostages had been released earlier in the day, some needing medical treatment.

Throughout the affair, the hijackers maintained contact with journalists and others, indicating that their primary goal was to direct world attention to the Chechen independence struggle.

The gunmen hijacked the ferry on Tuesday in the Black Sea port of Trazbon and sailed it 600 miles to the mouth of the Bosporus. They were demanding that the Chechen rebels under siege by Russian troops in the Dagestani village of Pervomayskoye be permitted to leave.

The Turkish authorities refused to allow the ship to enter the strait and it meandered around the enurance to the waterway, trailed by three Turkish naval frigates and several coast guard vessels.

It eventually anchored in the Riva Bay, just outside the strait on the Asian side, at midday Friday.

In the following hours, the gunmen sent mixed signals. They allowed Turkish authorities to come aboard and released 12 passengers, but all the while reiterated their demand that they be permitted to enter the Bosporus.

The hijackers first said they would blow up the ship in the strait if their "Chechen brothers" were not allowed to go free.

Then, in the early evening, the ferry began maneuvering away from the strait, with one of the hijackers telling reporters the ship was going in search of water and supplies.

Several minutes later, however, the gunmen said they had "achieved their objective" and announced their surrender.

Mrs. Ciller emphasized that the government had not bargained with the gunmen to obtain their surrender. "We told them there was no way they could get away with this kind of thing and that the only thing to do was to surrender," she said on CNN.

The prime minister said the hijackers would be "brought to justice" in Turkey. The group's leader, Muhammed Tokcan, was identified as a veteran of the Chechen independence campaign.

Responding to criticism of Turkey's handling of the crisis by President Boris N. Yeltsin of Russia, who said Friday that he was "not satisfied" with the way things were going and that Russian special forces could "lead their own operation" against the hijackers, Mrs. said: "We could have handled it definitely a lot easier and faster, but it might have meant loss of blood. That was something we did not want."

Mrs. Ciller said her government had remained in contact with Moscow throughout the hijacking, and she offered her own criticism of the Russian operation in Dagestan, saying the crisis in Chechnya "has to be handled in a human way."

Many people in Turkey have family ties to the Caucasus, including largely Muslim Chechnya, and on Friday thousands of angry Turks marched through Istanbul after noon prayers, chanting anti-Russian slogans and expressing support for the hijackers in Chechnya.

Russia Played Its Strongest Hand – and Lost

By Lee Hockstader
Washington Post Service

MOSCOW — The Kremlin's botched military operation to kill Chechen gunmen and free their hostages has exposed Moscow's most elite troops as just as ineffective against their separatist foes as the rawest Russian recruits.

Beset by "friendly" fire, woefully short of food and shivering in the snowy fields, the Russian equivalents of America's Green Berets performed more like Keystone Kops in a deadly comedy, according to accounts of the battle from the soldiers themselves.

According to the daily newspaper Izvestia, some troops complained their radio communications were so bad they were unable to speak directly with other Russian units on the battlefield. Others said that instead of maps of the village they were attacking, they were issued an artist's rendering of how the place might look sometime in the future.

Russia's Independent Television reported that one Russian soldier who had brought his comrades to a military hospital could barely keep from crying. He repeated the same sentence over and over again: "They wasted the men, wasted them."

NEWS ANALYSIS

The lackluster performance of troops touted as Russia's finest adds to the sense of humiliation generated by a crisis that Izvestia summarized as "10 Days of Pain, Impotence and Shame." Many Russians are asking how it is possible that their crack troops could not make quick work of a badly outnumbered band of no more than 250 gunmen holed up in a tiny village.

"The leadership was as bad as it could be," said a private named Andrei in the elite Vityaz force who was quoted by Izvestia. "The initial bombardment was useless, we barely had any armor. The army men were sitting snug behind our backs and we were used as cannon fodder."

The bungled crisis may also add to President Boris N. Yeltsin's already huge political problems just five months before elections in which he is expected to seek a second term.

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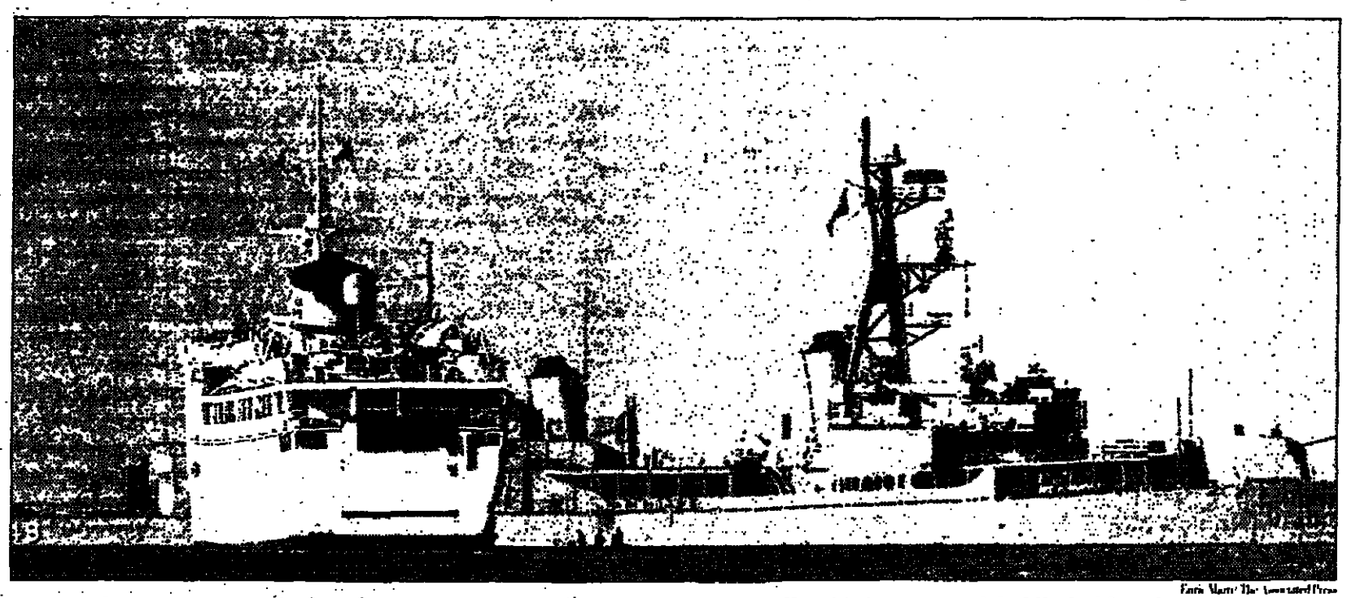

A group of negotiators, center, making their way in a rubber dinghy Friday between a Turkish destroyer and the hijacked ferry in the Bosporus.

Money and Peace, Company C-Style

By Ian Fisher
New York Times Service

SEKOVICI, Bosnia-Herzegovina — Vladimir Lazic, 33, a Serbian carpenter who has worked little since the war began, said he and his friends were taken by surprise when Company C set up camp in a cornfield outside town. No one knew they were coming, he said, and there was plenty of suspicion.

"Now," he said with a smile, "the opinion is better."

There was a reason behind the smile: a local woodworking company hired him to help build latrines and wooden pallets for the peacekeeping encampment. And as the Americans on this NATO mission look for local workers to bake bread, cut hair, fit pipes, haul trash, and clean clothes, the word has spread that there may be more to peace than just an end to fighting.

Mr. Lazic summed it up in one of his few words of English. "Money," he said. "Money."

The economics of peace at camps around the American sector is not a central pillar of U.S. strategy in Bosnia, but a side benefit that officials see as another tool to keep soldiers safe.

"It always makes it easier if you can go in and say: 'We are here because we have to be, but we're going to give a little bit and you are going to benefit,'" said Lieutenant Colonel William F. Briscoe, commander of the 4th Battalion, 12th Infantry. Company C of the 4th Battalion set up its tents last week in Ninici, 10 kilometers outside Sekovici.

The Muslim industrial city of Tuzla, about 80 kilometers northwest of here, had expected a major economic boom as the center of U.S. operations. But business leaders there have complained that the presence has not been as lucrative as they had hoped.

In this depressed farming town of 11,000 people the expectations are not as high. This is a country town with little to offer: a few restaurants, a bar with an anti-aircraft gun parked on a camouflaged truck in front, a woodworking and a metal fabricating plant.

"If they don't want trouble, they will put us to work," said Vujadin Celic, 48, a personnel manager.

He did not imply a threat, but rather a

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AGENDA

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LONDON (Combined Dispatches) — Britain will keep its evenings dark and its mornings light, the House of Commons decided Friday after a vigorous debate on whether to synchronize clocks with the Continent.

A member of Parliament, John Butterfill, introduced a bill to bring British time into line with European time, saying this would help business and also reduce road accidents and crime. But members from Scotland argued that the change would mean even gloomier mornings in their northern region. They joined forces with those opposed to closer links to Europe to keep debate going until the bill ran out of time for a final vote. *(AP, Reuters)*

Dow Jones	Trib Index
Up 60.33	Up 0.30%
5184.68	132.11

The Dollar

New York	Fri. close	previous close
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Pound	1.5105	1.5175
Yen	105.325	105.485
FF	5.0535	5.0315

Newsstand Prices

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Antilles	12.50 FF	Qatar	10.00 Rials
Cameroon	1,600 CFA	Réunion	12.50 FF
Egypt	£E 5	Saudi Arabia	10.00 R.
France	10.00 FF	Senegal	1,100 CFA
Gabon	1100 CFA	Spain	225 PTAS
Greece	350 Dr.	Tunisia	1,250 Din
Italy	2,800 Lire	Turkey	T.L. 60,000
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1,250 JD	U.S. Mil. (Eur.)	$1.20
Lebanon	US$ 1.80		

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UN Leader Presses For Burundi Force

By John M. Goshko
Washington Post Service

UNITED NATIONS, New York — The secretary-general of the United Nations has warned the Security Council that a major international effort is urgently required to prevent violence in Burundi from turning into a wave of ethnic slaughter of the magnitude that resulted in the deaths of 500,000 people in 1994 in neighboring Rwanda.

In a letter to the council, Secretary-General Boutros Boutros Ghali repeated the concern that he expressed in a Dec. 29 report that suggested the council station a UN force on the country's border with the power to intervene.

The council reacted to that report with a Jan. 5 statement condemning the violence between Burundi's feuding Hutu and Tutsi tribes.

But in a reflection of the cautious approach of most council members, it put off consideration of Mr. Boutros Ghali's proposal and called instead for the Hutu and Tutsi to seek a negotiated settlement to their dispute.

On Thursday, Mr. Boutros Ghali gave the council a report on a visit to Burundi by Sadako Ogata, the UN high commissioner for refugees, saying the situation continued to deteriorate. "This is why I continue to believe that it is imperative for the international community to launch a major initiative to prevent another tragedy in the subregion."

Mrs. Ogata had recommended the "urgent dispatch" of UN soldiers to Burundi to protect UN personnel and other representatives of relief organizations from coming under attack.

The secretary-general's appeals for action have focused attention on the situation in Burundi and underscored the dilemma it poses for the United Nations. The UN wants to keep Burundi from becoming an ethnic killing ground similar to Rwanda. But the Security Council wants to do that without sending troops to the region.

Burundi and Rwanda have near-identical ethnic makeups, with a Hutu majority and Tutsi minority, and both have been wracked by periodic violent power struggles between the two groups. While the worst massacres have been in Rwanda, more than 100,000 people have been killed in Burundi in the last two years as the result of clashes between the Tutsi-dominated army and Hutu rebels. Burundi has a population of 6 million.

The United States has been in the forefront of the countries that oppose sending troops. U.S. officials say the situation does not meet the Clinton administration's criteria for a peacekeeping mission.

Missions should have a clearly defined goal, they say, and have resolved in advance such questions as who will contribute and pay for troops and how long they should stay.

At the same time, U.S. officials say the administration does not want to be in the position of having allowed the killing in Burundi to escalate.

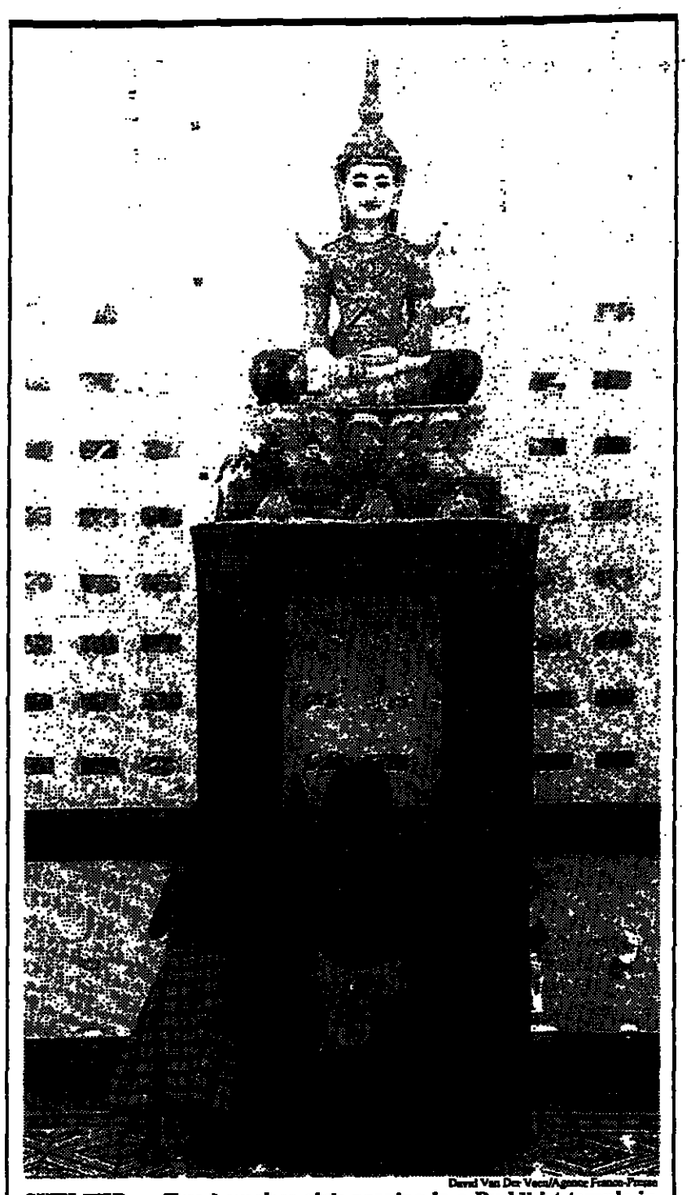
■ 'Emergency' Warning

The head of the UN refugee agency in Tanzania said Friday that he feared a "massive emergency," as thousands of refugees fleeing Burundi massed close to the border with Tanzania, Reuters reported from Dar es Salaam.

The UN official, Andrew Sokiri, said unconfirmed reports suggested that as many as 100,000 Hutu refugees from Rwanda had been forced by fighting to flee their camp in northern Burundi and were now on the Tanzanian frontier.

The International Federation of the Red Cross and Red Crescent Societies said shooting by unidentified gunmen had brought chaos to a camp in Mugano, Burundi, home to 15,000 refugees.

The Red Cross, which managed five camps in Burundi with 150,000 people, said it was reviewing the security of its staff and resources as a result of the incident.



David Van Der Vecci/Agence France-Presse

SHELTER — Two homeless girls praying in a Buddhist temple in Phnom Penh. Many temples in the city are refuges for the homeless.

Beijing Frees Dissident Held Since Last May

Reuters

BEIJING — Beijing authorities released the dissident Liu Xiaobo on Friday, sending him back to his parents' home in northeast China after more than seven months in police custody without formal charges.

"They told me I was held for investigation," Mr. Liu said in a phone interview. He was now free, he said.

A leading activist during the 1989 student demonstrations, Mr. Liu said he had refused to sign any statements admitting errors.

"I told them that I have a legal right to express my opinion," said Mr. Liu, who orchestrated several petitions to Parliament by groups of intellectuals and dissidents early in 1995.

"I told them they had no right to take away my freedom," he said.

Mr. Liu said he had been in the suburbs of Beijing since he was taken into detention by police on May 17, 1995.

"I was treated well," he said.

His release came a month after the conviction and sentencing of Wei Jingsheng, the leader of China's tiny democracy movement, turned the spotlight again on China's human rights record.

Mr. Liu was detained along with more than 20 other members of China's dissident community in a police sweep of potential troublemakers before the anniversary of the June 4 army crackdown on student demonstrators in Tiananmen Square in 1989.

He said he had not been specifically ordered to remain in the northeastern city of Dalian, where his parents live, and he planned to return to Beijing after spending some time with them.

He declined to say whether he would resume his activities of petitioning the National People's Congress, or Parliament, which meets in March.

"I hope the government can be more sensible in the future," he said.

■ A Pledge on Hong Kong

China will honor its promise to allow Hong Kong to keep its capitalist way of life after the British colony reverts to Chinese rule in 1997, Prime Minister Li Peng said Friday, The Associated Press reported from Beijing.

Hong Kong will remain an international financial, trade and shipping center linking China to the rest of the world, Mr. Li said in comments to visiting Hong Kong executives. His remarks were apparently intended to assuage fears about China's intentions.

"Now this has become our country's basic state policy and a policy of seeking truth from facts by fully taking into consideration Hong Kong's history and actual situation," Mr. Li said.

"The Chinese government has both the confidence and the ability to carry out this principle in Hong Kong after 1997."

He said that no Chinese government, from the local to the national level, would interfere with Hong Kong's administration.

Although Beijing has promised Hong Kong 50 years of autonomy, it has made it clear that the territory's freedoms will face political limits.

China has vowed to scrap Hong Kong's current legislature when it takes over on July 1, 1997, and it has installed many of its own supporters in committees charged with formulating its future laws and policies.

These moves, as well as others indicating that the state plans to exert control over freedom of the press, have worried many Hong Kong residents.

■ Detention Is Admitted

The Chinese government admitted Friday that it had detained the brother of the woman who provided most of the information for a dramatic report on deliberate starvation in orphanages, The Associated Press reported from Beijing.

But China said the man was released after one day in custody, while Human Rights Watch, the agency that issued the report, said he had been held three days, released and then detained again.

For Victims, the Marcos Spoils Must Wait

By Keith Richburg
Washington Post Service

HONG KONG — Marie Hilao-Enriquez, a former political prisoner in the Philippines, has been waiting more than two decades for justice. She discovered Friday that she will have to wait some more.

She was a university student when President Ferdinand E. Marcos declared martial law in 1972. She was detained for a year and nine months in military camps and gave birth in prison. Her sister was killed in a military prison, and a brother was tortured.

She is one of 10,000 victims of martial law-era human rights abuses who are demanding a share of the late dictator's fortune, estimated at $5 billion to $10 billion worldwide.

This week in Hong Kong, representatives of the Philippine government, the Marcos family and the victims sat down for 40 hours of closed-door talks to try to divide up an estimated $475 million of the Marcos fortune that is in two Swiss banks.

The money has been frozen by a Swiss court since Mr. Marcos and his family fled into exile in February 1986. The banks asked for the mediation to try to resolve competing claims on the money.

A former U.S. assistant secretary of state for Africa, Chester A. Crocker, was called in to mediate.

After five days of secret negotiations and a news blackout, Mr. Crocker announced Friday that the talks had broken off with no agreement.

He said that the parties had heard each others' positions, and would probably meet again. No further meetings have been scheduled.

"This sort of issue has been going on now for 10 years," Mr. Crocker said. "To expect that the whole thing could have been wrapped up in five days may not have been realistic."

Mrs. Hilao-Enriquez called the long wait and the news of failure "really deplorable."

"The whole exercise was an exercise in futility," she said, adding, "But we will continue to struggle for what we believe are our rights and the victims' rights to justice."

The activists outside the hotel were as vociferous in denouncing their own court-appointed lawyer as they were in criticizing Mr. Marcos.

They accused the lawyer of a "sellout" for agreeing to hold the talks secretly and they said they feared he would make a secret deal to absolve Marcos family members from future prosecution.

Mr. Marcos, who fled to Hawaii, died in 1989. In 1994, a court in Hawaii awarded $1.9 billion in compensation to 10,000 victims of Marcos-era human rights abuses who had brought an unusual civil action against the dictator's estate. Last month, a U.S. judge ordered two Swiss banks to hand over the Marcos funds as part of the settlement order. But the issue has become tangled since the Philippine government is claiming that the Marcos wealth was stolen from the national treasury and rightly belonged to the Philippine government.

The position of his widow, Imelda Marcos, is obscure, since she has always denied there was ever any money stashed abroad. She has also denied that, if there was any money, it had never been stolen. In addition, she offered to give away the money to charity if she could keep some of it. She has said her husband had become wealthy as a lawyer before he was president and had made wise investments.

Mrs. Marcos, who returned to the Philippines in 1991, was convicted of graft in 1993 and sentenced to 24 years in prison. She is free on bail, pending appeal.

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Chemical Arms Being Developed By 24 Nations

The Associated Press

WASHINGTON — About two dozen nations, including Iran, Iraq and Libya, have chemical weapons programs, and 15 nations have the missiles to attack their neighbors with such weapons, the U.S. arms control director, John Holum, said Friday.

He declined to identify the countries beyond what he called the three "rogue regimes," saying the programs were in various stages. Some of the 15 nations with missile arsenals were not among the countries developing chemical arms.

Mr. Holum said the Senate is expected this spring to consider ratifying the chemical weapons treaty signed three years ago by 130 countries.

It would ban the development, production and acquisition of chemical weapons.

BRIEFLY

U.S., at Tokyo and Seoul Talks, To Ponder Food for North Korea

WASHINGTON — The United States, concerned about reports of famine in North Korea but uncertain if they are true, intends to make the issue a focus of talks with South Korea and Japan next week.

The Clinton administration is considering whether to provide food aid to Pyongyang through the UN World Food Organization, but wants to discuss the issue first with Seoul and Tokyo, the officials said.

The talks, in Honolulu on Wednesday and Thursday, will involve an assistant secretary of state, Winston Lord, the deputy foreign minister of Japan, Shunji Yanai, and an assistant foreign minister of South Korea, Ban Ki Mun.

North Korea this month appealed for more foreign aid to feed its population, which has been battered by the worst floods in 100 years.

But some South Koreans have questioned whether the famine claims are true, and the governing party in Seoul has opposed more rice aid to Pyongyang unless the North modifies its hostile attitude toward the South. *(AP)*

Thai Monks to Carry ID Cards

BANGKOK — In an effort to weed out troublemakers, Buddhist monks will have to carry official identification cards similar to those already required for other Thai citizens, it was reported Friday.

The plan to issue the cards comes in response to the brutal murder last month of a British tourist, allegedly by a monk who had concealed a rape conviction when he joined the monastery eight months ago.

The head of the religious affairs department of the Interior Ministry, Thawal Thongmee, said that monks would have to carry ID cards as of the end of March, the Bangkok Post reported.

Mr. Thawal said the cards would bear the monk's name, his residence and the name of the temple at which he was ordained. *(AP)*

Japan Socialists Change Name

TOKYO — The Socialist Party, the second biggest group in Prime Minister Ryutaro Hashimoto's governing coalition, changed its 50-year-old Japanese name on Friday in a step toward forming a new political force.

At a party convention the Socialists decided to change their Japanese name, Nippon Shakaito (Japan Socialist Party), to Shakai Minshuto (Social Democratic Party).

Mr. Hashimoto's coalition links the former Socialists with the conservative Liberal Democratic Party and the small New Party Sakigake.

The Liberal Democratic Party is the biggest of the three.

The Socialist leader, Tomiichi Murayama, who stepped down as prime minister last week, vowed to form a new "liberal" party with the Sakigake.

"Let us stand up and aim to establish another party capable of taking power with the partnership of the Sakigake," he said. *(Reuters)*

RELIGIOUS SERVICES

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CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m./ Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 020-641 8812 or 020-6451 653.

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HOPE INTERNATIONAL CHURCH (Evangelical). 4, bd. de Pibrac, Colomier. Sunday service. 6:30 p.m.Tel.: 62.24.31.18.

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NICE: Holy Trinity, (Anglican/ Episcopalian). 11 rue de la Buffa. Sunday Eucharist at 11 a.m.; Weekdays as on notice board. VENCE: St.Hugh's, ave. de la Résistance. Sunday Eucharist at 9 a.m. Contact Father Ken Latts 93 87 19 83.

FRANKFURT

INTERNATIONAL CATHOLIC COMMUNITY. Masses: Sat. 5:00 p.m., Sun. 10:00 a.m. at St. Leonhard's Church (near Dom). Alte Mainzer Gasse 6, Frankfurt. Phone: 06172 - 451197.

KIEV

INTERNATIONAL CHRISTIAN ASSEMBLY (AOG), Sundays English 10:00, Bilingual 12:00 - 16 Khreschatik St., (38044) 244-3376.

MUNICH

INTERNATIONAL COMMUNITY CHURCH, Evangelical Bible Believing, services in English 4:30 p.m. Sundays at Enhuberstr. 10 (U2 Theresienstr.) (089) 850-8617.

PARIS and SUBURBS

EMMANUEL BAPTIST CHURCH, 56 Rue des Bons-Raisins, Rueil-Malmaison. An Evangelical church for the English speaking community located in the western suburbs.S.S. 9:45; Worship: 10:45. Children's Church and Nursery. Youth ministries Dr. B.C. Thomas, pastor. Call 47.51.29.63 or 47.49.15.29 for information.

HOPE INTERNATIONAL CHURCH (Evangelical). Sun. 9:30 a.m. Hotel Orion. Metro 1 : Esplanade de La Défense. Tel.: 47.73.53.54 or 47.753.14.27.

SAINT JOSEPH'S CHURCH (Roman Catholic). Masses: Sunday: 9:45 & 11:00 a.m., 12:15 & 6:30 p.m.; Saturday: 11:00 a.m. & 6:30 p.m.; Monday to Friday: 8:30 a.m. 50, avenue Hoche, Paris 8th. Tel.: 42.27.28.56. Metro: Charles de Gaulle - Etoile.

ST. MICHAEL'S CHURCH (evangelical An-glican). Sundays 10:30 a.m. (with children's club and creche) and 6:30 p.m. Midweek study groups. Christ-centered fellowship in the heart of Paris. 5 rue d'Aguesseau, 75008. Tel.: 47.42.70.88. Metro: Concorde.

TOKYO

ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Iidabashi Stn. Tel.: 3261-3740. Worship Service: 9:30 a.m. Sundays.

USA

If you would like a free Bible course by mail, please contact: L'EGLISE de CHRIST, P.O. Box 513, Staunton, Indiana 47881 U.S.A.

ZURICH-SWITZERLAND

ENGLISH-SPEAKING CATHOLIC MISSION; St. Anton Church, Minervastraße 63, near Krauzplatz. Services conducted in English. Sunday Mass: 8:30 a.m. & 11:30 a.m. Services held in the crypt of St. Anton Church.

METHODIST CHURCH English Language

MUNICH

PEACE CHURCH — Frauenlobstr. 5 (Sendlinger Tor station) Worship/Sunday School 11:30. Tel.: 089 820 8043/089 23 1158-3; Fax: 089 23 1158-4.

BERLIN

RESURRECTION CHURCH - Kaiser-Friedrich-Str. 87 (U-bahn: Bismarckstr. or Sophie-Charlotte-Platz Bus 109).Worship Sunday 6:30 p.m., Tel.: 030 301 5365.

HAMBURG

CHURCH OF THE CROSS — Röntgenstraße 1, Hamburg-Fuhlsbüttel, Worship 11,15. Tel.: 040 523 3373.

EUROPEAN BAPTIST CONVENTION

BERLIN

I.B.C., BERLIN. Rothenburg Str. 13, (Steglitz). Bible study 10.45, worship at 12.00 each Sunday. James Heflin, pastor. Tel.: 030-774-4670.

BONN/KÖLN

I.B.C. OF BONN/KÖLN, Rheinau Strasse 9, Köln. Worship 1:00 p.m. Calvin Hogue, Pastor. Tel.: (02236) 47021.

BRATISLAVA

I.B.C. (English language, evangelical) Juventa Room 205, Karlovesko Ulica 64, Sunday 10:00. Pastor Ben Hanna, Tel. 715367.

BREMEN

I.B.C. (English language) meets at Evangelish-Freikirchlich Kreuzgemeinde, Hohentorshestrasse Hermann-Bose-Str. (around the corner from the Bahnhof) sunday worship 17:00, Pastor Steve Sligh, Tel. 04791-12877.

BUCHAREST

I.B.C., Strada Popa Rusu 22. 3:00 p.m. Contact Pastor Mike Kemper, Tel. 312 3660.

BUDAPEST

I.B.C., meets in Morics Zsigmond Gimnazium, Torokvesz ut 48-54, Sundays. 10:00 Coffee Fellowship, 10:30 Worship. Take Bus 11 from Batthyany ter. Other meetings, call Pastor Bob Zoinden, Tel. 250-3932.

BULGARIA

I.B.C., World Trade Center, 35, Drahan Tzankov Blvd. Worship 11:00. James Duke, Pastor. Tel.: 669 666.

CELLE/HANNOVER

I.B.C., Windmulen Strasse 45, Celle 1300 Worship, 1400 Bible Study, Pastor Wert Campbell, Ph. (05141) 46418.

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP Evangelisch-Freikirchliche Gemeinde, Sodenerstr. 11-18, 63150 Bad Homburg. A friendly, Christ-centered, church serving the English-speaking community in the north Frankfurt and Taunus areas. All are welcome. Sunday Worship, S.S. + Nursery 09:45. Mid-week Housegroups, Women's Fellowships, Youth Ministry and Men's Prayer Breakfast. Pastor: M.P. Levey. Call 06173-62728. E-Mail: 100024,511@ compuserve.com

BETHEL I.B.C. Am Dachsberg 92, Frankfurt a.M. Sunday worship 11:00 a.m. and 6:00 p.m., Dr. Thomas W. Hill, pastor. Tel.: 069-549559.

HOLLAND

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KIEV

I.B.C. English Language Service. 10:00 at 3-a Tolstoga Str. (Metro same). Pastor Buddy Barnett, ph. 269-6148.

LISBON

I.B.C. Second Floor of Third Baptist Church, Rua Filipe Folque 36, 19:30 hours, Pastor Steve Ford, Tel.: 418-5136.

MOSCOW

I.B.C. Meeting 1100; Kino Center Building 15 DruzDruzhinnikovskaya Ul., 5th Floor, Hall 6, Metro Station Barrikadnaya Pastor Don Deel, Tel.: (095) 971 3558.

MUNICH

I.B.C. Holzstr. 9 English Language Services. Bible study 15:45, Worship Service 17:00. Pastor's phone: (089) 680 8534.

NICE - FRANCE

I.B.C. 13 rue Vernier, English service, Sunday evening 1800, pastor Ray Miller - Tel.: (093) 320 596.

PRAGUE

INTERNATIONAL BAPTIST FELLOWSHIP meets at the Czech Baptist Church Vinohradska # 68, Prague 3. At metro stop Jiriho Podebrad Sunday a.m. 11:00 Pastor: Al major, Tel.: (02) 311 7974.

WATERLOO

WATERLOO BAPTIST FELLOWSHIP Worship 1400 at Swedish Church, Chaussee de Charleroi 2 across from McDonalds. Tel.: 065 226076.

ZURICH - SWITZERLAND

I.B.C of Wädenswil (Zürich), Rosenbergstr. 4, 8820 Wädenswil, Worship Services Sunday mornings 11:00. Tel.: 1-4810018.

ASSOC. OF INT'L CHURCHES

BERLIN

AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

COPENHAGEN

INTERNATIONAL CHURCH of Copenhagen, 27 Farvergade. Varov, near Rådhus. Study 10:15 & Worship 11:30. Tel.: 3182 4785.

FRANKFURT

TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (Across from Burger Hospital), Worship 11 a.m. w/Child care. Tel.: (069) 599478 or 512552.

GENEVA

EV. LUTHERAN CHURCH of Geneva, 20 rue Verdaine. Sunday worship 9:30, in German 11:00 in English. Tel: (022) 310.50.89.

JERUSALEM

LUTHERAN CHURCH of the Redeemer, Old City, Muristan Rd. English worship Sun. 9 a.m. All are welcome. Tel.: (02) 281-049.

PARIS

AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or invalides.

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ZURICH

INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2825525.

SYNAGOGUES IN EUROPE

BRUSSELS

SYNAGOGUE BETH HILLEL, Communauté Israélite Libérale de Belgique, Avenue de Kersbeek, 96, 1190 Brussels. Rabbi Albert Dehan. Tel.: 32-2-332.25.28. Fax: 32-2-376.72.19.

Hanoi Troika Stresses State's Economic Role

Agence France-Presse

HANOI — The Vietnamese leadership is reacting to the country's rapid social and economic change by stressing ideology and stepping up the political rhetoric on state control.

As the Communist Party prepares for its eighth congress in June, the troika of top leaders has been focusing attention on the need to maintain the state sector and limit the influence of foreign investors.

President Le Duc Anh was the latest to express himself on the issue, ordering provincial officials in central Vietnam to "strengthen state management of all aspects of the socioeconomic situation."

Vietnam's leaders have always maintained that they were aiming to develop socialism even as they unleashed market forces. But they never defined their vision of a Marxist future in the midst of capitalist Asia.

Now they are stressing that the state will keep its control over industrial production and that it might further restrict foreign investors already straining under what they complain are tight regulations.

"We cannot have socialism unless we strengthen the state sector and unless we closely supervise joint ventures," the Communist Party general secretary, Do Muoi, said last week.

"As Lenin himself taught, we must not fear capitalist firms themselves, but rather our ability to control and supervise them," Mr. Muoi said.

Prime Minister Vo Van Kiet told heads of state firms in Ho Chi Minh City that the government would keep their needs at the top of its agenda and that such companies would play the leading role in the country's economic development.

About one-quarter of Vietnam's economy is state-controlled, but this sector includes almost all manufacturing, mining, transport and industry. Many state firms lose money and require large public subsidies.

Beyond the rhetoric, it remains unclear what actions the government might take to tighten its grip and whether it would be able to keep strict controls without frightening away foreign investment.

The hard-line tone is to be expected with the approach of the party congress. "But whether it means that the pragmatic policies we have seen will become less pragmatic is not at all clear," said a Western diplomat.

"They are looking to get a third of their investment overseas and they must be aware of the fact that if they change their policies they will never get that," he said.

"It would be wrong to say there are going to be any dramatic changes, but there is a clear emphasis that public ownership and state control are going to be lasting phenomena," the diplomat said.

That is likely to disturb some major donors, particularly the World Bank and the International Monetary Fund, which have urged Vietnam to trim its state sector and sell off companies to the public.

TRAVEL UPDATE

Another 20 Years for the Concorde

LONDON (AFP) — British Airways said Friday that it intends to operate the French-British Concorde supersonic airplane for another two decades.

The aircraft will celebrate its 20th anniversary on Sunday. The first British Airways Concorde flew from Heathrow Airport to Bahrain on Jan. 21, 1976. The airline operates a fleet of seven Concordes.

Sheikh's Sentence Brings Warning

WASHINGTON (AP) — The United States has warned its embassies to check security after the sentencing of Sheikh Omar Abdel Rahman to life imprisonment for plotting bombings in New York City. The government also told American travelers that the sentencing could bring an increase in terrorism.

"There may be an increased risk of terrorist incidents carried out by the sheikh's supporters against American interests," the warning said.

Zaire's airlines on Friday asked the government to reopen Kinshasa's airport, which was closed Jan. 8 after a cargo plane crashed into a market and killed 350 people. The airlines said that the closure was increasing the risk of accidents and that it should be reopened to small planes. *(Reuters)*

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Republican Field Sows Division in Religious Right

By Gustav Niebuhr
New York Times Service

NEW YORK — With only three weeks to go before the first votes are cast in the 1996 presidential caucuses and primaries, religious conservatives are a political force fractured, their allegiances divided among several Republican candidates.

But the fragmentation appears to be less a sign of political weakness than an indication of how far Christian conservatives have progressed within the Republican Party. An insurgent force in the 1980s, they have become a core element of the Republican establishment, increasingly rich in grassroots organizers, fund-raisers and state party officials.

Never before have so many Republican presidential candidates contended so avidly for the votes of religious conservatives, embracing the social stands that the group favors.

"This is the first time in the religious conservative movement since the 1970s that they have not had a single horse to saddle in the Republican presidential process," said Ralph Reed, executive director of the Christian Coalition.

But Mr. Reed, who has not endorsed a candidate, said he saw no cause for alarm in this. While religious conservatives "have spread themselves throughout the field," he said, "the entire field has moved to them, not the other way around."

Seen as a powerful block, religious conservatives are dividing less on ideology than on issues of personality and a candidate's likelihood to succeed.

"It's much more a discussion of who can win and who would be a better president," said John Green, a political science professor at the University of Akron. "One of the consequences of being part of the firmament is that currents within the firmament divide the movement."

In interviews, leaders of conservative religious organizations acknowledged that their rank and file was divided among various campaigns, especially those of the Senate majority leader, Bob Dole of Kansas; Senator Phil Gramm of Texas; the former commentator Patrick Buchanan, and the former State Department official Alan Keyes.

Among some at the grass roots, they said, are lingering questions as to whether Mr. Dole is truly a social conservative, particularly on issues like opposing abortion. Similar suspicions dog the campaign of Steve Forbes, the publisher, although some leaders of religious conservatives expressed interest in his fiscal conservatism.

But most of those interviewed said the divisions among religious conservatives would not keep them from coming together behind the Republican Party's eventual nominee against President Bill Clinton.

Mr. Reed said leading members of his organization in Iowa, where caucuses will be held Feb. 12, have signed on to the Dole, Gramm and Buchanan campaigns.

Politically active religious conservatives are diverse, coming from such widely different faiths as Baptist, Pentecostal and Roman Catholic churches. They also include different political temperaments, from the pragmatic to the single-minded, and a variety of civic passions, from those who favor "pro-family" tax cuts to those who want sharp restrictions on pornography.

When united, organizations like Mr. Reed's Christian Coalition can be formidable. Mr. Green said that studies of four Republican state conventions in 1994 showed that a quarter to a third of the delegates had been members of Christian organizations. But unity can quickly dissolve amid disagreements over big issues, particularly abortion.

A month ago, Mr. Dole rattled abortion opponents when he said that, while he was against abortion, he no longer favored a constitutional amendment to bar it.

That remark rumbled through Republican circles in Iowa like an earthquake, and some of the senator's opponents seized on it to question his conservative bona fides. Still, the Dole campaign's damage control has been effective.

Mr. Reed said he received a letter from Mr. Dole afterward, explaining his position, and felt "fully satisfied" that Mr. Dole had not changed his stand. This week, Mr. Dole scored a coup by gaining the endorsement of Ione Dilley, head of Iowa's branch of the Christian Coalition.

Without referring to the controversy, the Reverend Jerry Falwell, chancellor of Liberty University, said of Mr. Dole, "There's nothing he said to me that makes me anything but enthusiastic."

Nevertheless, Mr. Falwell, who has not endorsed a candidate, said that for many religious conservatives, the political center of gravity in the Republican field lies to Mr. Dole's right, with Mr. Buchanan and his condemnation of homosexuals, pornography and immigration.

"There's no question," Mr. Falwell said, "that philosophically, Pat Buchanan is liked best — I won't say endorsed, but liked best by religious conservatives — because of his long standing on social issues."

A Whitewater Sleuth Thunders On

By Francis X. Clines
New York Times Service

WASHINGTON — Senator Lauch Faircloth, never one to shy from sleuthing in matters Whitewater, invited the nation to join him in a fresh game of Clue.

"Well, maybe the butler did it!" boomed the North Carolina Republican at the Whitewater hearing Thursday, exuberantly mocking the White House as he focused on a genuinely new mystery: how copies of long-sought billing records from Hillary Rodham Clinton's law firm had suddenly appeared on the lower left-hand corner of a table in the heart of the residential White House last summer, at the very time that Whitewater investigators were conducting fruitless subpoena searches for them.

"This is the most secure room in the world, on the third floor of the White House!" Mr. Faircloth said, dripping sarcasm as he sought to disprove the White House's repeated denials that Mrs. Clinton has any knowledge of the records ever being in the White House, let alone in the Book Room adjacent to her office.

Bearing witness to the documents' existence within the White House residence was Carolyn Huber, a gently spoken woman with recall sharp enough to delight the Republicans on the committee and to find only one lone Democrat present to speak up cautiously for the White House.

A longtime aide and friend of the Clintons, Ms. Huber carefully drew her own sketch of the Book Room where she saw the documents.

She marked the tabletop spot with an "X" and estimated that someone had put the missing records there only a few days before she had found them in the room, to which only the Clintons, their personal guests and White House help have access.

"They appeared there," Ms. Huber said of the records.

This only seemed to heighten the mystery about the missing, movable documents, along with Republican hopes that maybe Whitewater, whatever its convolutions and confusions, will eventually seize the public's attention with something as graphic as Colonel Mustard's dagger in the drawing room: Mrs. Clinton's billing records in the Book Room.

"Who hid these records?" demanded Mr. Faircloth, calling for the Whitewater committee to take the ultimate step of deposing President Bill Clinton and the first lady about "a possible obstruction of justice."

While the committee chairman, Senator Alfonse M. D'Amato of New York, shied from talk of subpoenaing Mrs. Clinton, he said she would be welcome if she volunteered to testify.

Mr. Faircloth, a drawling, full-throttle politician, likes to repeat some of his own Whitewater committee similes when he is idling in the corridors of power before the next hearing. Particularly the ones he uttered about what getting information out of the White House has been like. "Like teaching a kangaroo to do the limbo." "Like eating ice cream with a knitting needle." "Like skinning a hippopotamus with a letter opener."

On Thursday, simile failed the senator. His head swiveled like a tennis fan's as he closely followed each question and answer, squinting and nodding as Ms. Huber precisely described how she had found the documents.

The senator fairly sputtered in inviting fair-minded Americans to deduce on their own who could have left the records in such a tightly guarded private place. "She did not find these billing records on the turnstile in the Metro," he shouted.

The Democrats ventured a response by way of their committee counsel, Richard Ben-Veniste. "What we have here, in my view, is an anomaly," he said, arguing that the payroll records bear out Mrs. Clinton's contention that she did minimal lawyering a decade ago in Whitewater-related matters. "Yet there is a question mark about how these records came to be produced," he admitted.

Ms. Huber testified to routinely packing away the billing records last summer in a box destined for her own office, assuming they were left out on the table as part of the usual filing routine.

She did not think about them again, she continued, until she discovered them on Jan. 4 while renovating her office, looked at them and realized that they were the ones the committee was searching for.

"I was surprised," she testified. "I just sat down for a few minutes and thought."

Ms. Huber said she called two lawyers: Mrs. Clinton's and her own.

The White House quickly turned over the records but has yet to explain how they came to be in the residence.

They have red-ink jottings in the margins, which Ms. Huber sadly said she recognized as the handwriting of another Arkansas colleague, Vincent W. Foster Jr., the deputy White House counsel who committed suicide in 1993. Committee Republicans suspect the documents Ms. Huber found were secreted from his office.

Ms. Huber could shed no light on that, but she drew heartfelt thanks from the committee for the precision of her recall as the Whitewater senators looked forward to more hearings.

"Memory loss has been a frequent occurrence in this room," Mr. D'Amato said of earlier White House witnesses as Mr. Faircloth nodded furiously in agreement.

No Explanations From Clintons

Reuters

WASHINGTON — President Bill Clinton and his wife say they do not know how documents involving Mrs. Clinton that were sought for two years by Whitewater investigators turned up on a table in their White House living quarters.

Republican critics have suggested that the mysterious appearance of the billing records fueled suspicions that someone had tried to obstruct the investigation of Mrs. Clinton's role in the Whitewater affair.

Asked during an interview on CBS if she or the president had put the papers on the table where a White House aide found them, Mrs. Clinton replied: "Of course not. I can't explain where they've been, but I'm glad they're out there."

Mr. Clinton said he wished the documents had been available sooner to help his wife back up her argument that her work for Madison Guaranty Savings and Loan was minimal.

In an interview with U.S. News and World Report to be published Monday, Mr. Clinton said, "I don't think anybody knows" how the documents appeared.

Anthony Reed/The Associated Press

UNCOVERING HIS TRACKS — A railroad worker in Wichita, Kansas, sweeping away fresh snow on switches. An extreme storm system belted the nation from the Midwest to the Eastern seaboard, producing bone-chilling cold, blizzards, torrents of rain and high winds.

Away From Politics

• **Twenty-five children have died** as a result of failures by New York City's Child Welfare Administration to conduct adequate investigations, monitor abuse cases or provide needed services, according to a study conducted by the public advocate's office. The deaths occurred between May 1994 and October 1995. *(NYT)*

• **The Watts Bar Nuclear Plant** has split its first atom after 23 years of construction at a cost of nearly $7 billion. The Tennessee Valley Authority had difficulty starting the long-delayed twin-reactor plant this week due to faulty wiring in the reactor core. The plant is located near Spring City, Tennessee. *(AP)*

• **About 160 prisoners** were hurt in brawls between blacks and Hispanics at a Los Angeles County Detention Center. It took nearly 600 deputies to stop six separate fights. As many as 2,000 inmates joined in, wielding broom handles, broken light fixtures and other weapons. *(AP)*

• **Charges have been dropped** against three men accused of stockpiling weapons and plotting to overthrow President Fidel Castro of Cuba, U.S. officials confirmed in Los Angeles. The accused were Rene Cruz Sr., his son, Rene Cruz, and Rafael García, all Cuban immigrants. *(AFP)*

Beta Carotene No Preventive Of Diseases, 2 Studies Find

By Gina Kolata
New York Times Service

NEW YORK — Two large studies have found that contrary to the beliefs or hopes of the millions who take it, beta carotene, a vigorously promoted vitamin supplement, is completely ineffective in preventing cancer or heart disease.

One of the studies found that it might even be harmful to some people.

U.S. health officials said they hoped that this would spell the end of the beta carotene fad. The idea that a simple supplement capsule might fend off cancer and other diseases, they said, has simply proved too good to be true.

Dr. Richard Klausner, director of the National Cancer Institute, which financed both studies, said, "With clearly no benefit and even a hint of possible harm, I can see no reason that an individual should take beta carotene."

Beta carotene is a naturally occurring substance in fruits and vegetables that is converted to vitamin A in the body. The cancer institute recommends that rather than rely on supplements, people eat low-fat diets abundant in fruits and vegetables, whose hundreds of substances combined might be fostering the disease protection that has been sought in beta carotene.

One of the beta carotene studies, the Physicians' Health Study, involved 22,071 doctors who were randomly assigned to take 50 milligrams of beta carotene or a dummy pill every other day. The study ended on Dec. 31, after 12 years, with the conclusion that beta carotene supplements did not protect against cancer or heart disease.

The other study, the Beta Carotene and Retinol Efficacy Trial, or Caret, tested both beta carotene, in a dose of 30 milligrams a day, and vitamin A, in a daily dose of 25,000 international units. The 18,314 participants in this study took beta carotene, vitamin A, both or a placebo.

Preliminary studies hinted that beta carotene might be especially effective in preventing lung cancer, and all the subjects in the Caret study were at high risk for lung cancer because they smoked or had worked with asbestos.

The study was halted on Jan. 10 — or 21 months ahead of schedule — when investigators concluded not only that the vitamins were not helpful but also that they might be harmful: the rate of death from lung cancer was 28 percent higher among the participants who had taken the supplements than among those who had taken the placebo, and the rate of death from heart disease was 17 percent higher.

The reason for these increases are unclear and they were too small to be considered statistically significant. But they were nonetheless worrisome.

The two studies were preceded by a Finnish study of 29,133 male smokers. That study, published in 1994, found a slight increase in the death rate among those who had taken beta carotene. But some critics of the research said the beta carotene dose, 20 milligrams a day, had been too low to find the benefit that they expected.

Others said the men had been studied for too short a time, five to eight years. And still others said that even if beta carotene did not help smokers, it would help healthy people.

To underscore the importance of the new findings, Dr. Klausner announced them at a news conference Thursday at the National Cancer Institute in Bethesda, Maryland, without waiting for the usual publication in a medical journal.

The Caret study's director, Dr. Gilbert Omenn, dean of public health at the University of Washington in Seattle, said its results were not definite proof that beta carotene is harmful. But the reason it was halted, he said, is that its findings were reminiscent of those in Finland.

"These vitamins were providing no benefit," Dr. Omenn said, "and may — with the emphasis on may — have adverse effects."

POLITICAL NOTES

WTO Takes a Left and a Right

WASHINGTON — A ruling by the World Trade Organization against U.S. gasoline-refining regulations drew sharp attacks from critics of the global free-trading system. They pounced on the decision as evidence that the WTO will infringe on America's right to set its own rules concerning environmental protection and other issues.

"This decision of the WTO is a gross attack on the sovereignty of the United States of America," Patrick J. Buchanan, a conservative candidate for the Republican presidential nomination, said in a statement issued by his campaign. On the left, similar comments came from the public interest group Public Citizen, which like Mr. Buchanan, opposed U.S. membership in the WTO when it was formed last year.

The ruling Wednesday by a panel of three international jurists was the first issued by the WTO, which has broad powers to referee international trade disputes. The panel found in favor of a complaint by Venezuela and Brazil that certain regulations of the Environmental Protection Agency violate global trade rules by setting higher environmental standards for imported gasoline than for domestically refined gasoline.

The development worried some economists, who said it might cause protectionist and isolationist sentiment to intensify against the Geneva-based WTO and its predecessor, the General Agreement on Tariffs and Trade. Many mainstream trade experts credit freer international trade with fueling global growth after World War II.

"It's not good that this is an early issue for the WTO," said Greg Mastel, vice president at the Economic Strategy Institute in Washington. *(WP)*

Tracking the Missing Children

WASHINGTON — As families of kidnapped and murdered children watched, President Bill Clinton signed an order Friday that will set aside an area in all federal buildings for the posting of missing children notices.

"This is more than a bulletin board, this is a helping hand," said Claudine Ryce, the mother of 10-year-old Jimmy Ryce, who was kidnapped in Miami and murdered by a stranger last year.

When a child is abducted, she said, "the only lead we have is the child's face." *(AP)*

Quote / Unquote

Michael McCurry, the White House spokesman, on President Bill Clinton's State of the Union address on Tuesday: "It's a fairly partisan environment that he'll walk into. It's a campaign year, it's a divided government, it's a Republican Congress. And there are plenty of people capable of hyperventilating." *(AP)*

Republicans at a Loss On Budget Strategy

New York Times Service

WASHINGTON — United in disdain for President Bill Clinton's latest budget proposals and convinced that no deal is in sight, congressional Republicans have acknowledged that they have not agreed on how to keep the government open and avoid defaulting on its bonds.

The current stopgap spending authority will expire next Friday, and Senator Bob Dole of Kansas, the majority leader, pleaded ignorance of House plans Thursday. "I don't know precisely what they have in mind," he said at a news conference.

Representative Robert L. Livingston, the Republican of Louisiana who heads the House Appropriations Committee, said he was having his staff prepare a bill that would provide money only for programs the Republicans favor.

But he might not put it forward, he said, because the Senate might reject it or the president might veto it.

"The situation is rather dynamic and fluid right now," he said. "It's changing every minute."

At the White House, Mr. Clinton said an overall budget deal was "clearly within our grasp right now."

But Representative John R. Kasich, Republican of Ohio and chairman of the Budget Committee, said "it appears as though we have some irreconcilable differences."

The Republicans seemed content to forget further negotiations and make the budget their chief election issue in the fall.

Republican leaders, who have had at least three desultory discussions by telephone conference call since their last session with Mr. Clinton on Jan. 9, plan a series of face-to-face meetings beginning Monday to develop a spending strategy. They also plan to consider how to deal with raising the ceiling on the national debt, whose statutory limit of $4.9 trillion was reached Nov. 15.

Since then, Treasury Secretary Robert E. Rubin has met government financial obligations by juggling pension accounts.

Those moves angered Republicans, who thought they had a foolproof weapon to force capitulation from a president who would not risk default.

Joseph Cohn Dies, a Titan In MGM and Film Academy

Los Angeles Times

LOS ANGELES — Joseph Judson (J.J.) Cohn, 100, one of the five men who built Metro Goldwyn Mayer and the last surviving founding member of the Academy of Motion Picture Arts and Sciences, died Jan. 12.

Few people outside of the motion picture industry knew of Mr. Cohn, though he was a major power in Hollywood. He preferred anonymity — no screen credits, no publicity.

Alexander Sedgwick, 94, a former foreign correspondent for The New York Times and The Associated Press who was noted for his coverage of the Balkans and the North African campaign during World War II, died in Athens on Friday.

Congressmen Fix a Deal On New Pentagon Bill

Reuters

WASHINGTON — House and Senate negotiators approved a $265 billion military bill Friday, stripping out a missile defense speedup and other provisions that had led President Bill Clinton to veto the original bill.

The negotiators said that Congress would probably approve the bill next week and that they thought Defense Secretary William J. Perry would recommend that Mr. Clinton sign it.

The negotiators stripped or revised provisions that would have ordered the construction of a defense against limited missile attacks starting in 2003 and restricted the president's power to commit U.S. troops to international peacekeeping.

But they did not change other provisions to which Mr. Clinton objected that would prohibit most abortions in military hospitals and require dismissal of any troopers who have the HIV virus. Republicans said they would try to win approval of the stricken items, part of their "Contract With America" campaign pledge, as separate bills.

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U.S. Warns Russia Not to Stray From Road to Reform

By Jim Mann
Los Angeles Times Service

WASHINGTON — The Clinton administration has warned that it might not support Russian membership in important Western organizations such as the Group of Seven industrialized nations if Russia turns back from economic reform and hardens its foreign policies.

"Russia's integration with the institutions of the West, which is in our mutual interest, depends on Russia's willingness to abide by international norms and to stay on the path of reform," Secretary of State Warren M. Christopher declared in a foreign-policy speech at Harvard University.

It was the first time a senior U.S. official has suggested that the United States might toughen its policies toward Russia in response to recent events in Moscow. Mr. Christopher said he will deliver the warning to Russia's new foreign minister, Yevgeni M. Primakov, when the two meet in Europe next month.

In December, the government of President Boris N. Yeltsin suffered a damaging political setback when the Communist Party and extreme nationalist forces headed by Vladimir V. Zhirinovsky won the largest two blocs of seats in elections for the Duma, or lower house of Parliament.

In the weeks since the election, Mr. Yeltsin has changed his government in ways that eviscerate the role of reformers. The latest change took place on Tuesday, when he dismissed First Deputy Prime Minister Anatoli B. Chubais, who for the past four years had spearheaded efforts to bring free-market reforms to the Russian economy.

The changes come as Russia prepares for a more important election — the one for president — in June. Mr. Yeltsin has not yet officially declared his candidacy for re-election, but he has strongly hinted as much.

Mr. Christopher's address Thursday to Harvard's Kennedy School of Government was supposed to be a general overview of U.S. foreign policy. But his warning about Russia was the dominant theme.

"Recent events reflect troubling signs of Russian reform under strain," he said. "The Russian people face an important choice in the June presidential election."

Since the era of the last Soviet leader, Mikhail S. Gorbachev, Moscow has been seeking membership in the Group of Seven.

Russia also would like admission to such international economic groups as the World Trade Organization. And it is seeking extensive economic help from the International Monetary Fund, which could be jeopardized if Moscow retreats drastically from its program of economic reforms.

President Bill Clinton says he hopes Russia finds a political solution to the conflict in Chechnya, but believes the United States must give Moscow "a wide berth" in dealing with the rebellious republic, The Associated Press reported, quoting from a Clinton interview with the magazine U.S. News & World Report.

"What I hope is that they'll find a political solution ultimately for the problems of Chechnya," Mr. Clinton said. "I think it's going to be difficult if they have to rely on a whole military solution."

YELTSIN: *Rebels Escaped*

Continued from Page 1

while much Russian policy toward Chechnya has been "dumb," "what is surprising is not that the battle lasted for four days, but that the Chechens were finally defeated."

The official casualty count in the crisis, which began when Chechen gunmen seized hostages in Dagestan on Jan. 9, is about 245 dead and well over 150 wounded. The dead include at least 35 Russian troops and 24 civilians. About 95 percent of the structures in the village of Pervomayskoye were destroyed in the Russian attack.

Since the war in Chechnya began 13 months ago, about 20,000 people have died by the most conservative estimate, and the large majority of the victims were civilians.

Mr. Yeltsin said Thursday that 82 hostages survived the ferocious assault on the village. But according to former hostages quoted by Interfax news agency, about 110 hostages were in the village, so perhaps 28 are not accounted for.

They may still be held by the gunmen. Chechen rebel spokesmen have said that Mr. Raduyev and a group of fighters escaped into Chechen territory with "dozens" of their hostages Thursday.

As soon as the Russians "decided to settle this problem by force, we decided to break out of the village," a Chechen military commander, Aslan Maskhadov, told Radio Liberty.

"The operation is effectively over," he added. "Raduyev's group with the hostages is in the mountains now."

Russian authorities, who said Wednesday that nearly all the hostages in the village were dead, now do not acknowledge that a single hostage was killed in the three-day onslaught by federal forces. Originally they said the Chechens were executing the hostages, but none of the surviving hostages has corroborated this.

Some Russian journalists have speculated that at least some of the mangled corpses found in the village may be hostages rather than Chechen fighters, as the authorities have said.

This would seem all the more plausible because of the haste with which officials said that those killed in the fighting were rebels. They have been slower to identify the survivors, who are being closely screened by security officials to make sure they are not Chechens posing as former hostages.

The apparent escape of some of the Chechens apparently took place in the early morning hours Thursday, when a group of the encircled gunmen launched a surprise attack on the Russian lines. Simultaneously, a separate column of Chechen fighters attacked the Russians from the rear. In the predawn melee that followed, some of the rebels seem to have slipped through the Russian lines and back into Chechnya.

Separately, Mr. Yeltsin, speaking Friday at a conference of the post-Soviet Commonwealth of Independent States, said that former Soviet republics should enhance their collective security as a balance against the military might of the United States and NATO.

"It is virtually impossible for Commonwealth members to look after national security on their own," Mr. Yeltsin told leaders of the 12 CIS countries, which include all former Soviet republics except for the three Baltic states. "We are only able to do so through a system of collective security."

The Interfax press agency quoted the Russian leader as saying, "NATO and above all the United States are continuously strengthening their military potential."

—LEE HOCKSTADER

Bosnia's Killing Fields Reveal a Grisly Demise

Mass Graves Near Srebrenica

By John Pomfret
Washington Post Service

GLOGOVA, Bosnia-Herzegovina — Shards of a skull lay in the dirt. A jawbone was missing seven of its 16 teeth. There were scattered femurs and the remains of another body, putrid but still clothed.

The human debris, in two muddy fields straddling a dirt road in this bombed-out hamlet, suggested the existence of a pair of mass graves containing the remains of Muslims slaughtered last July in the offensive by Bosnian Serbs against the UN-designated "safe area" of Srebrenica.

The area, 13 kilometers (8 miles) northwest of Srebrenica, was identified as the site of a possible mass grave by U.S. satellite imagery last year. A visit this week by four American reporters turned up evidence that, indeed, a number of people were buried here after apparently violent deaths. It was not clear how many bodies lie in the two sites, but the area they cover is substantial, and human remains were seen scattered throughout both areas.

The sites, according to a Western investigator, could be two of several mass graves in the region believed to hold corpses of some of the estimated 12,000 Muslim fighters who tried to escape the Serbian assault by sneaking out of the isolated eastern Bosnian pocket and trekking 100 kilometers across Serbian lines to Muslim-held territory to the north. Five such sites have been confirmed near Srebrenica.

While thousands of Muslim soldiers survived this march of death, witnesses said thousands more were caught by the Serbs or surrendered to them and were gunned down. An estimated 6,000 Muslim men remain missing, and many are believed to have died in the attack by Bosnian Serbs and subsequent killings, which human rights investigators say constituted one of the worst atrocities committed in Europe since the Second World War.

"This could be the answer to another question about what happened in Srebrenica," a Western investigator said. "This could be an important part of the jigsaw puzzle."

Srebrenica succumbed to the onslaught by the Bosnians Serbs on July 11, 1995. Its fall led to the expulsion of an estimated 40,000 Muslims from the pocket, where many had fled to take shelter from earlier attacks. The assault and the lack of a military response by the United Nations and NATO underscored the failure of the UN mission in Bosnia and led to stronger American diplomatic and military efforts to stop the war in Bosnia. Those efforts ultimately culminated in the peace conference in Dayton, Ohio, last November and the signing of a peace plan for Bosnia on Dec. 14.

The International War Crimes Tribunal at The Hague already has indicted Radovan Karadzic, leader of the Bosnian Serbs, and his military chieftain, Ratko Mladic, on charges of war crimes in connection with atrocities in Srebrenica.

The visit to the site comes at a time when the Bosnian government has been demanding access to these and other mass graves as it attempts to determine who among a list of 24,000 Bosnians missing in this war is dead and who is alive. The government has used the Serbs' refusal to provide either access or information as an excuse to hold up the release of Serbian prisoners of war. Under the Dayton agreement, all three warring factions in Bosnia — Muslims, Croats and Serbs — were supposed to release such prisoners by Friday.

Justice Richard Goldstone, the chief prosecutor of the war crimes tribunal, also has issued his first specific request to the peacekeeping operation in Bosnia for assistance in exhuming another potential mass grave. Mr. Goldstone's request came in a letter Jan. 16 to Admiral Leighton W. Smith Jr., U.S. commander of the NATO-led mission, an aide to the admiral said.

The appeal specified that war crimes investigators want help in digging up a suspected mass grave in northwestern Bosnia, in an area patrolled by British forces, the aide added.

Mr. Goldstone's request has gained some urgency because of concerns that the Bosnian Serbs might destroy evidence from the approximately 200 mass graves that dot the battlefields of the former Yugoslavia. But, while dirt obviously had been moved recently around the sites at Glogova, if Serbian gunmen had attempted to tamper with it or destroy evidence, they did not do a thorough job. Bones were readily visible on the clay dirt, as were bandages, shoes and other things that obviously once belonged to the men buried below.

In addition, at two other sites visited earlier by a Western reporter in the nearby town of Nova Kasaba, no evidence of tampering was found. Bones wrapped in cloth still jutted from the earth, as did boots and military jackets.

The first of the two apparent mass graves lay in a field about 30 meters (100 feet) long and 10 meters wide in front of the bombed-out ruins of a stone farmhouse. The second plot was circular, with a diameter of 30 meters, lying on the other side of a dirt path.

Western investigators said Glogova appeared to occupy an important place in the Srebrenica story because it seemed plausible that men who were executed by Serbs at an agricultural warehouse a short distance up the road from Glogova were buried in these graves.

The warehouse is in the village of Kravica, just west of Glogova on one of the few paved roads in the region. According to reliable accounts, Serbs rounded up Muslim men they caught attempting to escape the Srebrenica assault and placed them in the warehouse or kept them in trucks outside.

Sergei Chirikov/Agence France-Presse

A Russian officer kicking a dead Chechen in Pervomayskoye on Friday after rebels fled the town.

ARMY: *'Friendly Fire' and Freezing Cold Helped the Chechens*

Continued from Page 1

The leader of the Chechen hostage-takers, Salman Raduyev, may have escaped from the encircled village early Thursday with a group of his gunmen and perhaps some hostages as well. A Chechen rebel spokesman said that Mr. Raduyev had escaped the supposedly impregnable Russian siege with several dozen hostages, whom he was offering to exchange for wounded Chechens captured by the Russians.

According to official figures, 153 Chechen rebels were killed in the four-day battle and 28 taken prisoner. Officials say that federal casualties came to 26 dead and 93 wounded. Mr. Yeltsin said that 82 hostages were rescued.

Russian journalists are suggesting that at least some of the corpses counted as Chechen fighters may in fact be hostages. And Kremlin officials must be braced for what would be the galling spectacle of a press conference with Mr. Raduyev, the leader of the hostage-takers, broadcast from a Chechen stronghold in the coming days.

A year ago, when fresh-faced Russian draftees were wiped out in the initial attempt to storm the Chechen capital of Grozny, Moscow's military leaders were widely criticized for sending boys to do a man's job. If crack Russian special forces had only been used at the outset, Grozny would have fallen and fallen fast — so ran the argument, at least.

Yet in Pervomayskoye this week, it was Moscow's best special forces who were driven back repeatedly in their attempts to overcome the Chechen fighters.

In one of several incidents of "friendly fire" reported by Izvestia, a rapid reaction detachment from Moscow was attacked by a similar force from southern Russia. The troops from Moscow tried to make radio contact with their attackers, only to find that direct communications were impossible; they could talk only through headquarters. There were casualties on both sides.

In another incident reported by Izvestia, a Vityaz unit had almost reached the center of the village when it was fired on by a Russian helicopter gunship and forced to withdraw.

Repulsed on the ground in the first two days of fighting, the Russians were forced to withdraw and resort to turning the village to rubble with Grad multiple rocket-launches: Grads, among the most terrifying and destructive conventional weapons in the Russian arsenal, can saturate a large area with dozens of lethal rockets in a matter of seconds.

The demoralized Russian troops who pulled back spoke with frank admiration of the Chechen fighters, praising them for the tactics that have been their hallmark during the 13-month war. As they had in Grozny, the Chechens lured small units of Russian troops into traps that became killing fields of machine gun fire.

Even the chief of Russia's Federal Security Service, Lieutenant General Mikhail Barsukov, who commanded the assault on the village, acknowledged the Chechens' fighting ability.

"They had a very serious unit, very well trained and very well prepared," he said. "They're absolutely committed to their cause — we realize that."

But Russian troops also vented their bitter frustration at the operation's slipshod organization and execution.

"Not a single officer who we talked to, not to mention privates, had any idea who was the commander of the operation or who was giving the orders," Izvestia reported.

"The bungling performance of the Russian military and police machine could not be hidden by the smoke screen of bungling lies," Izvestia said on the front page of Friday's edition.

Bosnia Rivals Meet Most Deadlines

By Rick Atkinson
Washington Post Service

PULCIS, Bosnia — Major Gordon Davis played his flashlight across the bare walls of the Bosnian Serb bunker. Earlier in the week the fortified redoubt on the once embattled road to the Sava River had been jammed with guns and soldiers. Now it stood empty.

"They've cleaned everything out," Major Davis said, scanning the dank vault built of logs and sandbags. "The bunks are gone. The weapons they kept in this little room are gone."

Similar scenes of abandonment have occurred throughout the 1,300 kilometer (625-mile) "zone of separation" that divides Bosnia's warring parties. Under the Dayton peace treaty, by midnight Friday, Serbian, Muslim and Croatian commanders must pull their soldiers and weapons back at least 2 kilometers on either side of the cease-fire line that snakes through Bosnia.

NATO military and civilian authorities reported widespread signs of compliance, although another proviso of the treaty, the release of all prisoners of war, remained in doubt.

[Bosnia's three factions released about 225 prisoners Friday in Sarajevo, but appeared to be falling short of full compliance with a midnight deadline for freeing all those captured in the war, Agence France-Presse reported. A spokesman for the International Committee of the Red Cross said it was almost certain that not all 900 prisoners it has monitored in Bosnia would be released.]

"The parties have demonstrated compliance with the cessation of hostilities agreement and they have refrained from offensive actions," the NATO secretary-general, Javier Solana Madariaga, said in Brussels. "The parties have completed the withdrawal of their forces from the agreed cease-fire zone of separation."

NATO commanders in Bosnia said that while compliance has been admirable, it seems certain to fall short of the perfection suggested by Mr. Solana. In the U.S. sector covering northeast Bosnia, for example, intelligence analysts calculated that about 50 heavy weapons, defined as 81mm and larger, remained in the zone of separation 24 hours before the midnight deadline.

U.S. officers have given faction leaders computer printouts detailing potential violations of the zone of separation, including grid locations of weapons that should be removed by midnight.

A 240-kilometer-long patrol with Major Davis, operations officer for a U.S. paratrooper battalion, revealed several potential violations in the zone, including a recoilless rifle mounted on a Serbian armored personnel carrier behind a school in Priboj and a Serbian anti-tank weapon spotted in the trenchlines near Sapna.

Other treaty requirements carrying a Friday deadline also remain only partly fulfilled, including agreements to destroy all mines in the zone of separation, to mark all mines outside the zone and to provide full details of forces within 10 kilometers of the zone.

Holbrooke Successor Selected

Reuters

BONN — President Bill Clinton will propose John Kornblum, a career diplomat, to replace Richard Holbrooke as U.S. assistant secretary of state for European and Canadian affairs when Mr. Holbrooke leaves the State Department next month, Mr. Holbrooke said Friday.

"Ambassador Kornblum will be nominated by President Clinton to be my successor as assistant secretary of state," Mr. Holbrooke said at a press conference.

Mr. Kornblum now serves as deputy to Mr. Holbrooke in the State Department's European bureau.

Mr. Holbrooke, a former ambassador to Germany, is widely credited as being a main architect of last month's Dayton peace agreement to end the ethnic war in Bosnia. He is leaving the department Feb. 21 to return to private business. The 54-year-old New Yorker was managing director of the Lehman Brothers investment firm before joining State.

FRAUD: *Maxwells Acquitted*

Continued from Page 1

was ever reached as to the cause of his death.

Charges against the men concerned two transactions. The first centered on a block of shares belonging to pension funds that was allegedly pledged by Kevin and Robert Maxwell in the summer of 1991 to secure loans for their firms. The second transaction came only after the mysterious death of Robert Maxwell. In that instance, prosecutors alleged that the two Maxwell brothers and a business associate had conspired to use a second block of shares as collateral for yet another loan. Under each charge, the men faced a maximum jail sentence of 10 years.

Following Robert Maxwell's death at sea, investigations revealed that the Maxwell companies were deep in debt, with a bank overdraft alone of £150 million. At that time the Maxwell media empire numbered some 400 companies, including two public companies — Mirror Group Newspapers PLC and Maxwell Communication Corp. — as well as a complex welter of privately held firms.

Far more seriously, investigators discovered that over the course of years hundreds of millions of pounds of pension fund assets from the Maxwell companies had been illegally diverted. During the trial, prosecutors called the two fund transfers at the center of their case "a sheer gamble with other people's assets."

Court-appointed administrators are still poring over the wreckage of the failed empire. So far, creditors of Maxwell Communications Corp., the largest entity in the group, have received payments totaling 27 percent of their claims. Eventually that figure is expected to rise to between 36 percent and 42 percent.

MONEY: *Bosnia Welcomes a Peace Dividend*

Continued from Page 1

horse-sense suggestion.

Radinka Starcevic, 28, a clerk in a chilly store with many bare shelves, said she is the only person in her family who has a job.

"There is no money," she said. "There is nobody working."

She would love to see Americans infuse jobs and money into the town.

"We will see," she said. "We will see if they help us to build the things that were destroyed in the war."

Soldiers are banned from shopping, eating and drinking in local towns.

So far, much of the dealing with residents has centered on money. Military officials began with the premise that they would try to spend as much money on the Serbian side as the Muslim side, and Company C and army civil affairs negotiators have been working to find nearly all that the soldiers need locally.

Already on the Serbian side, the company that Mr. Lazic works for is supplying nine latrines for $615 each, and up to 260 wooden pallets, used as tent floors, for a total of $6,137.

Company C has picked up its first daily delivery of bread, 200 loaves at about 54 cents each.

The civil affairs negotiators are seeking barbers, drain pipes, trash haulers, squeegees and spotlights. In total, Colonel Briscoe estimated that $500,000 may be spent on this camp alone, one of perhaps two dozen in the U.S. sector.

In anticipation, a certain entrepreneurial spirit is blooming.

On Thursday, Captain Hugo Jackson, commander of Company C, and Captain Dennis Greenwood, a civil affairs negotiator, began a meeting with a baker who turned out not to be the one they had agreed to work with. The baker, Milan Markovic, nonetheless, offered to undercut the competition by 20 cents a loaf.

Nearly all contracts on the Serbian side have to be made through the town's mayor, Veljko Stupar, 34, and members of the town council.

After a meeting, Mr. Stupar said that relations with Company C were "so far, so good." He said foremost on his mind was making sure that the peace held, but like Mr. Lazic he smiled when asked if the financial opportunities for Sekovici were also important.

"Yes," he said, "I think so."

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Unsure of Fire's Origin, Germany Frees 4 Suspects

By Alan Cowell
New York Times Service

BONN — One day after fire tore through an immigrants' hostel in northern Germany, killing at least 10 people, the police released four men Friday who had been detained on suspicion of burning the building, and still had no explanation of why the blaze started.

The uncertainty over the cause of the fire spread trepidation among many Germans who fear a resurgence of the neo-Nazi violence that gripped the country after reunification 1990.

The concerns surfaced as, coincidentally, President Roman Herzog initiated an annual Memorial Day for the Victims of Nazism with a speech to Parliament in which he declared: "The most important thing is to sharpen young people's perception of how to recognize the beginnings of racism and totalitarianism." He did not allude specifically to the fire in Lübeck.

The police initially said that they had arrested three men in connection with the fire, but acknowledged Friday that a fourth man, seen with the other three before the fire broke out, also was detained Thursday night.

"Our investigations have shown that there is no longer a strong reason to suspect them," a spokesman for the Lübeck public prosecutor's office said.

"Right now we are not talking about arson," said Lübeck's police chief, Winfried Tabarelli.

He added that investigations into the blaze, thought to have started on the first floor of the four-story building, would continue until its cause was established.

Under German law, suspects in a criminal case may be held for only 24 hours before they are released or brought before a judge to be formally arrested.

By Friday night, there had been no reports of more bodies being discovered in the house in Lübeck, which was home to immigrants from Africa and the Middle East seeking asylum in Germany.

The blaze came at an uncomfortable moment for German officials who had set aside Friday for a special parliamentary session to mark the initiation of an annual commemoration on Jan. 27 — the anniversary of the liberation of Auschwitz in 1945 — to recall the horrors of Nazism.

"The witnesses are dying. Fewer and fewer victims can personally recount their sufferings. History fades rapidly when it is not part of personal experience," President Herzog told Parliament. "So we must, time and again, build a living future from our memories."

He said he wanted the commemoration to mark all Nazism's victims, not only the 6 million Jews slain in the Holocaust.

Despite uncertainty over the cause of the Lübeck fire, Germans remained confronted with lingering worries about extreme rightists.

In Stuttgart, a 26-year-old man was charged Friday with murder and arson after a blaze in 1994 that killed a pregnant Turkish woman and her four-year-old daughter, a Greek woman with her two-year-old daughter and three Croatians. Near Berlin, a 19-year-old man described by the police as an extreme rightist was arrested on charges of attempted murder Thursday for driving a car at high speed into a group of foreigners. And, near Hannover, a 33-year-old man was detained Friday and accused of trying to set fire Thursday to a hostel for fugitives from the former Yugoslavia.

■ A Turkish Miss Germany

While Germany was still reeling from the Lübeck hostel fire, the nation awoke Friday morning to find that a 17-year-old Turkish-Iranian schoolgirl had been elected Miss Germany 1996. Agence France-Presse reported Friday. Yasmine Mansoor was elected in Berlin.

Greece Is Expecting Political Overhaul

Reuters

ATHENS — The new prime minister, Costas Simitis, set about building his cabinet Friday amid expectations of broad changes of leadership from major ministries to state companies and banks.

The Socialist group in Parliament elected Mr. Simitis prime minister Thursday, ending the long reign of the ailing Andreas Papandreou. Mr. Simitis, 60, a mild-mannered pragmatist who often clashed with the autocratic Mr. Papandreou, received the mandate at the presidential palace in Athens.

He met the acting prime minister, Akis Tsohatzopoulos, his chief rival in Thursday's vote, who handed over the resignations of the full cabinet, a parliamentary official said.

Mr. Simitis, who must prepare the party for elections due in 1997, must also act quickly to dispel the uncertainty that has gripped Greek politics since Mr. Papandreou, founder of the Panhellenic Socialist Movement, was taken ill two months ago. He is on a life-support system at a hospital to help him breathe.

President Costis Stephanopoulos gave Mr. Simitis a mandate to form his new government earlier Friday. He is expected to announce a cabinet Sunday or Monday. At least seven ministers, confidants of Mr. Papandreou, looked likely to be replaced.

Changes also seemed certain for the boards of major state companies, banks and the state carrier Olympic Airways.

"The reform will go deep," said a Simitis associate, who asked not to be named. "There will be a fresh start with different people with a different way of thinking."

One striking change was likely to be at the Foreign Ministry, where Mr. Papandreou's ally, Karolos Papoulias, was expected to be replaced by Theodoros Pangalos, the outspoken former European affairs minister.

But Simitis was likely to keep National Economy Minister Yannos Papandoniou and Finance Minister Alexandros Papadopoulos.

Mr. Simitis enjoys the confidence of the markets and is expected to push forward the long-overdue partial privatization of the state telecommunications company and the petroleum corporation.

Best remembered for his 1985-87 term as economy minister, when he tried to put a lid on Mr. Papandreou's free-spending welfare policies, Mr. Simitis was the only candidate for the premiership who did not offer blind allegiance to Mr. Papandreou's policies.

Greece's former first lady, Dimitra Liani-Papandreou, saw her political ambitions dashed with the election. Mr. Papandreou left his wife of 37 years to marry the former Olympic Airways flight attendant.

NATO Shies at Aiding War Crimes Tribunal

By Jane Perlez
New York Times Service

BRUSSELS — NATO officials offered sympathy but little specific assistance to the war crimes tribunal Friday as the panel tries to step up the pace of unearthing evidence at mass graves in Bosnia. It hopes to have some of the more than 50 people indicted as war criminals arrested and taken to The Hague.

Sounding less enthusiastic than Defense Secretary William J. Perry about providing protection for war crimes investigators and the mass graves they want to study, General George A. Joulwan, NATO's commander, ruled out his troops guarding mass grave sites. That was a job for civilian police or intelligence officials, he said. A corps of United Nations police officers is supposed to be established in Bosnia under the auspices of the Dayton peace agreement but is not yet running.

The tribunal's chief prosecutor, Richard J. Goldstone, after meeting with General Joulwan to explore how far the troops in Bosnia would assist his work, seemed to accept the limitations imposed by the military.

After the signing of the Dayton peace agreement, tribunal officials had hoped that the military forces could be of great help.

But Mr. Goldstone said that the tribunal would have to be satisfied with help that did not infringe on the forces "principal tasks on the one hand and available resources on the other."

Mr. Goldstone said that he recognized the NATO-led troops did not have a mandate to act as a police force to search for war criminals. Among the obligations of the signators to the Dayton agreement, Mr. Goldstone said, was cooperation with the tribunal, including the handing over of indicted war criminals, and access to witnesses. But since the signing there had been "no satisfactory answer" from President Slobodan Milosevic of Serbia, who has consistently denied the legitimacy of the tribunal.

The difference between the needs of the tribunal, as it enters a critical period of forging its credibility, and the narrow interpretation by commanders of their military responsibilities was made clear.

The tribunal's investigators are concerned about the disappearance of forensic evidence that would corroborate testimony and could firm up their cases. And the tribunal's prosecutor and judges would like to see those indicted as war criminals arrested and extricated from Bosnia and put on trial at The Hague.

To achieve these two goals, the tribunal needs specific kinds of help.

First, it must have protection for its investigators so they can move without fear of danger to the most important mass grave sites. Second, it must be able through some means to have indicted war criminals arrested.

But the Pentagon, still wary because of the loss of 18 Rangers in Somalia when American troops tried to hunt down a warlord, is leery as well of making arrests in Bosnia of those indicted as war criminals. Most of the indicted are Bosnian Serbs, including the civilian and military leaders, Radovan Karadzic and Ratko Mladic.

Oleg Popov/Reuters

JUST VISITING — Todor Zhivkov, former Communist leader of Bulgaria, paying a visit Friday to his grandson in Sofia prison. Mr. Zhivkov is under house arrest pending an appeal of his 7-year sentence.

The U.S. Spy Machine Takes Bosnia by High-Tech Storm

By Tim Weiner
New York Times Service

WASHINGTON — U.S. intelligence services, forced to cooperate with one another and with their Russian counterparts in the muddy fields of Bosnia, are creating an espionage network of dozens of spies, electronic-eavesdropping devices and advanced computer systems.

The choreography among the U.S. intelligence services, the cross-fertilization of their information and its availability to soldiers in the field are equally unusual — "unprecedented," said an admiral and a general, who spoke on the condition of anonymity.

The U.S. and Russian intelligence services, bitter Cold War enemies, also are working well together, the intelligence officials said.

The two sides have shared intelligence on drug-smuggling and terrorism since the end of the Cold War, and Russian military intelligence officers helped the United States understand the Iraqi Army's Soviet-bloc arsenal during the Gulf War. But now the Russians are receiving analytical reports, computerized texts and even spy satellite data.

The admiral and the general said that gathering intelligence for the international war crimes tribunal investigating the killing of thousands of civilians in Bosnia was not their first or even second priority. Foremost, they said, was protecting U.S. troops; second was supporting the international peacekeeping force.

The mission "is not war; it's peace, or peace-enforcement," the general said. Nonetheless, it requires intelligence, which is a billion-dollar word for information.

The intelligence services are weaving together trillion-byte computer systems to give soldiers armed with laptops detailed maps, data, graphics and even full-motion video, to help them pierce the fog of a strange land.

The National Reconnaissance Office, which manages spy satellites, has created something called a Fact Pack, which contains a hard disk of the latest spy-satellite pictures of Bosnia with a software package that allows a soldier to press a button and receive a custom-tailored map.

The Central Intelligence Agency said it is also conducting some old-fashioned espionage. A CIA officer in Bosnia has acquired detailed information from a local military leader on how and where thousands of land mines were hidden.

For its part, the National Security Agency, which conducts global electronic-eavesdropping operations, has stationed dozens of officers in Bosnia to intercept and translate communications. A battlefield commander can reach into a data base and learn, for example, what the Serbs in the surrounding areas are saying to one another on walkie-talkies or field telephones.

Based in Tuzla, dozens of case officers from the CIA and the newly formed Defense Humint Service (humint is jargon for human intelligence, the information gleaned by spies) are gathering and analyzing information from a local military leader on how and where thousands of land mines were hidden.

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Based in Tuzla, dozens of case officers from the CIA and the newly formed Defense Humint Service (humint is jargon for human intelligence, the information gleaned by spies) are gathering and analyzing information on the warring parties and their leaders.

There has been antipathy in the CIA toward the new Defense Department service, which some at the agency perceive as a potentially lethal bureaucratic enemy. But the CIA has been supportive of military commanders' needs, the admiral said, calling it "a change from the past, which is really good."

BRIEFLY EUROPE

Ciller Gets Another Chance

ANKARA — Tansu Ciller, the former prime minister who now holds the post in a caretaker role, said Friday that she had been asked by President Suleyman Demirel to form a new government.

The position of prime minister-designate was vacated earlier Friday by the Islam party t leader Necmettin Erbakan, who failed to find a coalition partner among the secular parties. Mr. Erbakan's Welfare Party finished first at general elections last month with 158 seats in the 550-member Parliament, well short of a majority. Mrs. Ciller's True Path Party has 135 deputies, two more than the rival Motherland Party of another conservative, Mesut Yilmaz.

Mrs. Ciller and Mr. Yilmaz both turned down coalition offers from the Islamic party, but a feud between the two had prevented them from uniting in the past. A key dispute remains over who would be prime minister in a joint conservative government. *(Reuters)*

Major Goes on the Offensive

BIRMINGHAM, England — Prime Minister John Major, accused of surrender by a buoyant opposition and facing reports that his leadership is again under threat, fought back Friday with a speech setting out his economic plans for Britain.

Taking aim at the promise of the Labor leader, Tony Blair, to create a "stakeholder society," Mr. Major attacked "empty slogans" and repeated his claim to being a tax-cutting leader who was building Britain into the enterprise center of Europe.

Mr. Major's aides, meanwhile, were busy dismissing rumors in financial markets of an imminent election, and fresh problems were brewing in his Conservative Party over the European Union. The Conservatives, in power since 1979, are about 30 points behind Labor in polls. *(Reuters)*

Chirac to End Military Draft?

PARIS — President Jacques Chirac of France plans to end military conscription, a major part of French defense policy since the 1789 Revolution, a former prime minister said Friday.

Pierre Messmer, who was prime minister from 1972 to 1974, said Mr. Chirac told him that he planned to shift to an all-volunteer force before the end of his term in 2002.

French men aged 18 currently are expected to do 10 months of national service. Many obtain deferrals for studies or exemptions on a multitude of health grounds. About 40 percent of France's approximately 500,000 military personnel are conscripts. *(Reuters)*

Berlusconi Yields on Elections

ROME — Former Prime Minister Silvio Berlusconi backed away Friday from a demand for immediate elections, easing the way for other political leaders to put together a new government.

Mr. Berlusconi, who heads a conservative coalition in Parliament, met with President Oscar Luigi Scalfaro as part of consultations following the resignation of Prime Minister Lamberto Dini a week ago. *(AP)*

Mitterrand's Doctor Alleges 'Trap' of Lies

Compiled by Our Staff From Dispatches

PARIS — François Mitterrand's doctor said Friday that the former French president had trapped him into lying about his cancer.

"In retrospect, I think François Mitterrand trapped me completely," Dr. Claude Gubler said in the newspaper Le Monde, insisting that he had never expected that medical bulletins keeping secret the cancer he had found would be signed with his name.

"I wrote this book in the interest of medicine so that another doctor will never be trapped in this way," Dr. Gubler said, referring to his tell-all book, "The Great Secret." A court banned sales of the book Thursday. "If there is any money left over after my legal bills are paid, it will be used for humanitarian ends."

Dr. Gubler was questioned by the police Friday in a preliminary investigation of whether his book violated medical secrecy. Violations of professional confidentiality laws are punishable by up to a year in prison and 100,000 francs ($20,000) in fines.

The book alleges that Mr. Mitterrand, the Socialist leader who died last week, knew he had cancer from 1981 but ordered it be kept secret for more than a decade.

That would have violated his pledge to be completely open about his state of health.

The book also says Mr. Mitterrand was unfit to govern from late 1994, spending much of the time in bed. His second seven-year term as president ended last May.

Dr. Gubler also wrote that Mr. Mitterrand ordered him to treat his cancer as a state secret from 1981, when it was first discovered, until 1992, when it was first publicly disclosed.

The banning of the book as an invasion of privacy provoked a national debate over freedom of speech versus personal privacy.

"It's very rare that a book is banned but medical secrecy is at stake here," said Edith Cresson, who served as one of Mr. Mitterrand's prime ministers. "Every citizen must be protected."

Dr. Gubler's attorney, Bernard Cahen, said the ruling meant that France had chosen protection of privacy over freedom of the press.

Other books banned in France in recent years have included works on Islam and Algeria that were deemed to constitute a threat to public order. Also barred was a bible that was found to contain anti-Semitic terms.

Dr. Gubler's book went on sale Wednesday, nine days after Mr. Mitterrand died, aged 79.

Before the court could act, newspapers had trumpeted its revelations and all 40,000 copies of the first printing had been sold.

There was still a brisk black market in the book, with a copy selling for 15,000 francs in southwest France, a television station somewhat improbably reported.

(Reuters, AP)

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No Victory for Yeltsin

As the smoke lifts from the rubble of Pervomayskoye, the Russian village all but obliterated in the latest battle of the Chechen war, Boris Yeltsin is claiming a victory against terrorism and insurrection. But even if the Russian leader is right in reporting that dozens of Russian hostages held by Chechen fighters survived a withering Russian military attack on the village, this violent confrontation can be a source of no honor to Mr. Yeltsin or anyone else involved in the crisis.

The Chechen rebels, whatever their grievances against Moscow, have no justification to terrorize Russian communities and seize Russian civilians as hostages. Every time they try, they succeed only in turning Russians against Chechnya and making an unpopular war more acceptable to Russians.

But most damaging to the long-term interests of both Chechnya and Russia, each episode of Chechen hostage-taking gives Mr. Yeltsin and his security advisers an excuse to rely, however briefly, on the levers of authoritarian rule. In a country so recently delivered from dictatorship, and still governed by men like Mr. Yeltsin who once helped exercise that absolute power, even a temporary regression can be a dangerous thing.

After briefly trying negotiation to free the hostages, Mr. Yeltsin turned the crisis over to the Russian military to resolve, despite the danger to both the hostages and residents of Pervomayskoye. Apparently determined not to repeat the kind of humiliating failure the army and internal security forces suffered in the first months of the Chechen war, Russian commanders pulverized the village with rocket and artillery fire, killing Chechens and Russians alike. In a last spasm of violence, Chechen fighters who slipped out of the village Wednesday night, aided by reinforcements from nearby Chechnya, counterattacked against Russian forces. It will be days before there is an accurate count of casualties and the number of Russian hostages who survived the bombardment.

All this bloodshed and confusion was dressed up in Moscow with Soviet-style propaganda, including false claims about minimal Russian losses and the elimination of enemy forces.

The use of force against terrorism should be commensurate to the threat and employed in a way that limits loss of life. Military action should be accompanied by full disclosure of information about the conflict and casualties. The murderous assault on Pervomayskoye did not meet any of those tests.

— THE NEW YORK TIMES.

The Sheikh's Sentence

The sentencing of Sheikh Omar Abdel Rahman and nine co-defendants to long prison terms for seditious conspiracy and related crimes completes the legal response, pending appeals, to one of the most frightful terrorist conspiracies ever uncovered in the United States. Challenged to protect public safety and the constitutional rights of the defendants, the American legal system performed credibly on both fronts.

Had their plans worked out, the defendants would have blown up the United Nations building, the Lincoln and Holland tunnels, the George Washington Bridge and Manhattan's main federal office building, killing thousands of New Yorkers.

Sheikh Abdel Rahman and El Sayyid Nosair were sentenced to life in prison. The other sentences ranged from 57 years in the case of Ibrahim Elgabrowny to 25 years for Fadil Abdelghani. Tough federal sentencing rules require that the life sentences be served in full and that the others do at least 85 percent of their time.

Because of the indirect nature of Sheikh Abdel Rahman's guidance to his followers, it might not have been possible to convict him of direct involvement in planning specific acts of terror. Instead, prosecutors built their case around the unusual charge of seditious conspiracy, which required them to prove only that he intended to wage a general campaign of terror against the government and foreign policies of the United States.

Charges of this nature are subject to abuse. So is the use of a paid informer, who gave important testimony against the defendants. But in this case, prosecutors presented a convincing array of evidence from various sources, leaving no reasonable doubt of the defendants' guilt. The right to appeals court review further safeguards their rights.

In lengthy presentencing remarks, Sheikh Abdel Rahman tried to portray his prosecution and punishment as part of a war by the United States against Islam. That turns reality on its head. His own highly politicized version of Islam sought to mobilize a religious war against the United States.

Most Muslims would not recognize their peaceable faith in Sheikh Abdel Rahman's hateful and murderous imprecations. The Muslim religion as practiced by its millions of adherents in America and around the world condemns the terrorist mass murder of innocent commuters and workers.

Islamic extremists, often backed by Iran or Sudan, have become a significant political factor in recent years — especially, but not exclusively, in the Middle East. Sometimes their actions threaten important American interests, from foreign policy to public safety. It would be a mistake to lump these often disparate situations together into a new demonic global threat.

Instead, appropriate responses should be crafted to each situation on its own merits. When Islamic radicals commit crimes on American soil, they should be prosecuted under the high standards of American law. That is what happened in this case, and Americans, along with their liberties, are safer for it.

— THE NEW YORK TIMES.

Reform and Risk

A drumbeat continues for what's being called "reform" of the Food and Drug Administration. Senator Nancy Kassebaum introduced a bill in December that would push the FDA toward what her spokesman characterizes as "creating a collaborative process" with drug companies and device manufacturers and tightening the deadlines on the process by which the agency certifies drugs as safe and effective. A group called Citizens for a Sound Economy released a spatter of radio ads. Characters representing the worried families of sick people engaged in mournful dialogues about how the FDA still hasn't approved "that new treatment" and how maybe "Congress needs to shake them up, too."

Though the players are new, this is yet another round of a long-running oscillation between the two dangers any government confronts in regulating drug safety: being too careful and not being careful enough. The most famous public health disaster from not-careful-enough drug regulation was, of course, thalidomide. It was followed by years of increasing caution and eventually a fair amount of bureaucratic slowdown at the FDA. This brought the agency under attack from AIDS activists in the 1980s and the vice presidential government-reinvention initiative in the 1990s.

Between them, these two attacks have caused the pendulum to swing a considerable way back. The former sought and eventually got fast tracks for experimental drugs that, though they might be dangerous, offered hope to the dying. A General Accounting Office report last month certified that the FDA had all but eliminated its backlog and cut approval times by as much as half.

The restructuring bill seeks to push this process farther and faster and, in some cases, to remove the safeguards that make such speeded-up approval feasible. The Kassebaum bill proposes, among other things, to cut approval times sharply by bringing drug companies into the process, not merely of doing the experiments (they already do this) but of clearing and evaluating the results that are submitted to the agency for review. It also would lift restrictions on advertising for "off-label" or unapproved uses of drugs. Under current law, a doctor can prescribe a drug for any purpose, whether or not it's the purpose the FDA has tested and cleared, but the drugmakers can advertise only where there is some evidence of effectiveness.

You can't do too much of this without careful attention to the safeguards that public health demands. Those weighing FDA "reform" should look carefully at the steps already taken before deciding whether to go farther down the path.

— THE WASHINGTON POST.

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It's Time to Start Formulating a 'Pax Pacifica'

By Jose T. Almonte

MANILA — The biggest factor for the future of the Asia-Pacific region is the rise of China. Since 1979, its economy has doubled roughly every seven and a half years; the World Bank expects it to become the world's largest economy by 2020. China's increasing economic weight will unavoidably bring it political and military clout.

If China is no longer revolutionary, it still is not a status-quo power. If Beijing chooses to focus its people on the country's irredentist claims — it has boundary disputes with 10 neighboring states — then China will become a prickly presence in East Asia.

The Chinese armed forces appear to have assumed a political role. This has already benefited the military budget, much of which is being invested in modernizing the navy and the air force. Planners have given up the Maoist guerrilla strategy in favor of building up the capability to fight a high-tech conflict in the seas adjacent to China and in the Western Pacific.

How should the rest of Asia deal with China? Containment may have been justified for an ideological power like the Soviet Union. But it would be unwise to approach contemporary China with such a preconceived notion when this huge and complex nation is in the midst of an epochal transition.

We need to discourage as far as we can China's lingering idea of itself as the "Middle Kingdom," while encouraging those trends that make the Chinese economy increasingly interdependent with those of its neighbors.

Over the midterm future, the United States and Japan are the only powers strong enough to influence China's political evolution. How the United States, Japan and China arrange their security relationships will dictate the Asia-Pacific area's security framework in the 21st century.

Shifts in America's demography and overseas trade have made it a true Pacific power. It cannot tolerate a single nation dominating East Asia any more than it could in Western Europe. Japan's search for a post-Cold War role should include continuing its alliance with the United States, which is the fulcrum of the East Asian balance of power. However, the alliance should also be put on an even keel to raise Japan from a position of strategic client to one of full partnership with the United States, and to shift the focus of the alliance from the passive defense of Japan to the promotion of East Asian security.

It is crucial that Washington and Tokyo read Beijing's intentions accurately. Foreign pressures tend to shore up hard-liners in the Communist Party leadership and in the bureaucracy.

It is time to start conceptualizing the components of a "Pax Pacifica." Its bedrock must be stability imposed not by any hegemonic power but by the peace of virtual equals. This could be the product of security cooperation that comes from reasoning together. We must impress on Beijing that military reach, economic strength and political muscle by themselves can no longer command respect.

China can earn the region's respect only if it transforms power into leadership with moral legitimacy. How China behaves in Hong Kong, in the South China Sea and over Taiwan will define its message to the region and the world.

The writer, presidential security adviser and director-general of the Philippines' National Security Council, contributed this comment to the International Herald Tribune.

East Asia Fears Chinese Hegemony as U.S. Presence Ebbs

By Michael Leifer

BEIJING — China's affirmations of peaceful intent in East Asia have been received with some skepticism, as have America's assurances of a sustained security presence. The reason for the dual skepticism is that the United States is seen as being in strategic retreat in East Asia, while China is engaged in strategic advance.

Meanwhile, other countries in the region are not joined by any common approach through which they might address this critical change in the balance of power, other than by an imperfect diplomatic dialogue.

Chinese leaders give the impression of being absorbed by internal priorities, including the preparation for political transition after Deng Xiaoping dies. Stress is placed on the scale of economic problems and the necessary conditions for overcoming them. Prime Minister Li Peng has reiterated that China's large-scale modernization drive calls for both domestic political stability and an international environment of peace.

Beijing insists a prosperous and stable China would aid world peace; the notion of a threat from China is seen as a malicious invention of Western journalists and academics who seek to curb China's growth.

The China National Defense News recently asserted that "the Western forces represented by the United States have not stopped their hegemonist behavior."

"In their eyes, the prosperity of a socialist China will pose a severe challenge to the Western system. Therefore, some decided China must be contained."

The containment issue is linked to recent tensions between China and the United States over Taiwan. The Taiwan question is not one over which Beijing can afford to show any weakness. However, the ways in which it has displayed its strength — including acts of military intimidation — have been noted with concern elsewhere in East Asia.

The dilemma for China is that, in pursuing its irredentist agenda, it may alienate regional states with which it seeks common cause to counter containment. Members of ASEAN, the Association of South East Asian Nations, have been identified as promising candidates for such an alignment, not only because of their economic dynamism but because they are seen as having their own agenda — which includes repudiating external influence from the West on human rights.

But regional states are worried about China's rise at a time when countervailing U.S. power has retreated following the end of the Cold War. China's newfound strategic latitude, its growing economic strength and its military modernization are causing concern that repeated assurances from Beijing have been unable to dispel.

China understands these concerns up to a point, but it will not let them stand in the way of the country's realization of its destiny.

The underlying regional fear is not an imminent one of China's marching south and repeating on a larger scale the use of military force it directed against northern Vietnam in 1979. The main concern is that a strong China in the next century will reinstate its traditional suzerain role and intervene politically, acting as the regional hegemon.

The only way in which this latent problem has been addressed has been through a novel form of multilateral security dialogue, the ASEAN Regional Forum, which began its working existence in July 1994. China is comfortable with the forum because its consultative format and consensual procedures are neither constraining nor at odds with its interests.

China's affirmations of peaceful intent may be genuinely meant as long as its irredentist agenda is not challenged. There is sound logic in the argument that China's development requires a peaceful international environment. But the region must wonder whether, as China grows stronger, it will continue to be amenable to continuing consultation as a basis for managing East Asian disputes.

There may well be no choice, however, because, with declining confidence in the United States, there is no regional constituency for any approach to China other than through consultative dialogue on terms acceptable to Beijing.

The writer, a professor of international relations at the London School of Economics and Political Science, contributed this comment to the Herald Tribune.

Europe Must Learn to Manage Without American Assistance

By William Pfaff

PARIS — The return of the United States to Europe, with the Bosnian intervention, is welcomed by some in both Washington and Western Europe as a resumption of the role the United States played between 1945 and 1990, as Europe's "external unifier."

It is thought that Washington now will perform the same service for the Balkans, forcing its turbulent peoples into a new order. Many think that America's attention should be reapplied to the rest of Europe as well, where, in the West, the unification process is stalled, if not breaking down, while unification has scarcely begun in the East.

The hope is vain. The era is a new one, and the United States is a different country. The America that sponsored West European unity was a high-morale nation with international ambitions and clear convictions about what was wrong with Europe, and about what should be done to cure it.

Americans believed that the world wars had resulted from Europe's internal divisions and nationalisms, out of which German and Italian fascism had come. The remedy was to make Europe more like the United States by ending its internal divisions and setting it on the path to American-style federation.

It worked. This idea coincided with what West Europeans themselves were prepared to believe, and found expression in Jean Monnet's European unification program, which Washington financed and politically backed.

However, today's Washington has no new vision for Europe. The European Union that actually exists has become an irritant because of the obstacles it puts to American agricultural and audiovisual exports (the latest a continued ban on America's hormone-fed beef exports, on health grounds). Europe has also disappointed Washington with its dismal failure to deal with the Yugoslav war — "Europe's war," in American eyes.

There certainly is no American vision of what the Balkans should become. This is probably just as well, as the United States is doing very well there without a grand scheme of things. In the absence of a strategy, policy tends to revert to what might be called the diplomatic default mode, which means trying to preserve the status quo, if the status quo is currently peaceful.

Hence, American representatives in Macedonia, Greece, Turkey, Bulgaria and Albania have been damping down current and potential troubles. A small U.S. troop deployment in Macedonia tacitly instructed both Serbia and Greece to keep their hands off that country.

The Pentagon's activity in Albania has implicitly warned the Serbs to make no more trouble in Kosovo and warned the Greeks to restrain themselves with respect to Albania. Both Greeks and Turks have been told to cool their military and political rivalry.

The intervention and deployment in Bosnia is also a product of default. It came reluctantly, a product of the outrage felt in American public opinion over what the UN and the West Europeans had allowed to happen.

Few in the United States knew anything about Bosnia or Yugoslavia when the war began, and fewer cared. But the UN's embargo on arms for the victims of aggression, and the passivity

The U.S. is only in Bosnia by default.

of the UN in the face of genocidal crimes, first pushed President Bill Clinton to campaign in 1992 on a platform that promised to arm the Bosnians, and then pushed Congress to force Mr. Clinton to live up to that promise despite Europe's objections.

Some in Washington, as in Europe, have looked for a bigger scheme behind the administration's actions, but they are wrong. Mr. Clinton's practical motivation is politics, not geopolitics. He means to end the intervention within the year, and he expects the Bosnians to defend themselves thereafter. It may not succeed, but that is the policy.

On the West European side there is plenty of criticism of the United States but nothing on offer as a substitute for what the United States is doing. The "peace implementation" operation under Carl Bildt had a rocky start and is without concrete goals (other than elections, which Mr. Bildt now says are improbable if not impossible before the Dayton accords deadline in September).

The London conference in December instructed Mr. Bildt to "create a climate ... establish new arrangements ... create a direct and dynamic ... relationship between Bosnia-Herzegovina and the European Union."

He is supposed to promote reconstruction, regional integration and federation with the outside world; provide preventive diplomacy, reconciliation, "test cases," "seedbeds" and "a Marshall Plan," with regional, European and international involvement — "without internationalizing the issues."

Poor Carl Bildt! This was exactly Europe's approach during four years of war in the former Yugoslavia. It has no more chance of succeeding now than it had then. What actually is to be done?

Should the diplomats be instructed to try to recreate some kind of new Yugoslav federation? Or reinforce the American-sponsored Bosnian-Croatian federation? Or defend the individual integrity of Slovenia, Croatia and Bosnia-Herzegovina, all internationally recognized sovereign nations — thanks to West European initiative?

What is ex-Yugoslavia supposed to become in a year? Europeans had better decide. The United States has not taken over. It is almost certain to withdraw on or near its announced schedule, and its own purposes in this mission will be served if Bosnia is able to defend itself a year from now. Retired U.S. officers begin training the Bosnians within 60 days.

What happens when the year is up depends on the people of the former Yugoslavia. If, as European officials and commentators like to predict, Yugoslavia goes back to war next year, it will be because Europeans will again have done nothing serious to prevent it.

International Herald Tribune.
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Her First Ladyship Should Resign

By A.M. Rosenthal

NEW YORK — Three years ago this past week they were dancing and singing and telling happy jokes at all the balls and parties given for them in Washington.

Now he is campaigning for another term in office as president. She is campaigning, too — desperately, to save what is left of her reputation.

The president stands by her, of course. But he seems to cast himself as an observer — warm and interested, but somehow aside from and beyond what is going on that is eating her up. He may win again, but compared with how she saw herself and her role in government, she cannot.

We do not know exactly what they did in Whitewater. But it is impossible to believe he did not know that she would so tortuously try to talk her way around it — or that she had pressured for firing the White House travel staff without telling him.

We do know this: The most important decision they took after Bill Clinton became president, the worst and most dangerous, they made together. That was to transform the chivalrously intended position of first lady into the first ladyship and make it the second most important political post in the land.

That decision skewed the government, skirted its law, twisted its constitution. It was outrageous in concept and practice — the anointing of an unelected person to dominate a large part of the government because she wore his wedding ring.

The law provides that a president should not appoint a member of his family to run a federal agency. He dodged that by appointing his wife to rule over the most important work of a whole batch of agency heads — writing a new health care program.

She became not only an equivalent of a cabinet member but the most powerful one. Her influence touched their fears. High officials who are part of her domain lost their ultimate right — to appeal over the head of a team leader to the president.

The first time you complain about the work of a president's wife he may nod and say thank you. The second time he will ask: Will nobody rid me of this fool? Somebody will.

They transferred power — part of the power he held by vote of the people, he not she. And, incidentally, they besmirched feminism. Feminism does not rely on the wedding ring to achieve political power. The Clintons just didn't get it.

When I wrote this two years ago, from her supporters I got a furious argument that we hear more and more now that the hole she is in gets deeper. "Eleanor did it."

No, Eleanor Roosevelt did not do it. The contrary — she used her influence as a president's wife not to exert executive power inside the government but to bring in unheard voices from outside.

Doris Kearns Goodwin details this magnificently in her book about the Roosevelts, "No Ordinary Time." Eleanor traveled the country to talk with people her husband showed no wild desire to meet — blacks, the unemployed, working women. Then she kept telling him that war or no war, he was the leader of all the people and many were suffering.

She kept nagging him about black rights, day care for working mothers, job training for women. She drove him almost crazy with her notes and memos, but she never stopped. She had influence, as every spouse does — but she was not Hillary, and Hillary is not Eleanor.

After FDR had been president nine years he appointed her assistant director of civilian defense under Fiorello La Guardia, former mayor of New York. The two spent their time not getting along. Finally FDR said he didn't want to hear from either of them. She quit and said publicly that it had been a mistake to take an official job.

She went back to her real life's work — not first lady but first gadfly — after he died. I met her in 1947 in a cafeteria line at the UN. She was the U.S. human rights delegate and kept biting the Soviet ankle.

Presumably Mrs. Clinton will not try again to be the first ladyship if her husband is reelected. Presumably is not enough. Long ago the Clintons should have said it was a mistake to give her executive power that evaded law and democratic practice.

The longer they wait, the less will be the inclination to believe them when they get around to it. Tomorrow would be an excellent time to start.

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Delagoa Bay

PARIS — [The Herald says in an Editorial:] The sensational report that Portugal would sell Delagoa Bay, with its port of Lorenço Marques and adjacent territory, to Great Britain for 300 million francs is denied by the Portuguese Minister in Paris. Delagoa Bay contains the best harbor on the east coast of Africa, and the development of the gold regions has made it a point of the utmost importance. No doubt England would like to own Lorenço Marques, but Portugal is firmly determined not to part with what she calls the "pearl" of her colonial possessions.

1921: Anglo Civilisers

WASHINGTON — Destiny has appointed the English-speaking peoples to be the instrument of spreading civilisation to the world, according to a letter from President-Elect Harding to Mr. John A. Stewart, chairman of the Sulgrave Institution on Anglo-American relations. The letter says: "I am impressed not so much by the glory that the English-speaking peoples may take to themselves, as by the profound duties God has thrust upon them — the duties of being restrained, tolerant and just."

1946: No Color TV Yet

NEW YORK — Color television has "a long way to go" — probably five years at least before Americans can enjoy it on a large-scale commercial basis, speakers told the American Television Society. "We won't go from black-and-white to color overnight," said Mr. L. Levy, an engineer at Emerson Radio and Phonograph Co. He said that color television will require new inventions and developments. "It's a long path from the laboratory to the living room," he said.

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Masterpieces of a Mysterious Culture

International Herald Tribune

SOUREN MELIKIAN

WASHINGTON — Nothing is quite as exciting to the imagination as cultures that vanish without leaving their name, language or even a clue to their ethnic make nature — only just enough masterpieces of art to assure us that they once were "important," as the catchword goes. "Traders and Raiders on China's Northern Frontier," on view at the Arthur M. Sackler Museum until Sept. 2, has all the ingredients of a great history thriller.

Surprise is guaranteed. Most of the objects, drawn almost entirely from private collections, have never been publicly displayed before.

For the first time too, an art show deals with the art projected onto the market by the gigantic commercial looting that plagues the non-Chinese regions of Xinjiang, Inner Mongolia and Liaoning as it does the entire People's Republic of China. The greatness of their multiple art forms is fully revealed. And yet, as in a really good thriller, having followed the action to its unexpected denouement, the utter metamorphosis it generated further south in the immensely powerful China, we are left wondering as to who were the people who did it all.

As if to make the point more forcefully, a smattering of objects, so far unique, of breathtaking beauty enhanced by one of the most admirable displays I have seen in a long time, are enigmas unto themselves.

This begins with a bronze ax blade of crescent shape, with the cusps curling in and an otherwise unmatched surface modulation through relief effects. The catalogue dates it at the 12th to 11th century B.C. To back it up, another ax blade from an archaeological excavation is illustrated but it is aesthetically so different that the parallel hardly helps to place it in time or space. Noting the "non-Chinese origin," the entry briefly mentions its "West Asian" connection.

More or less comparable models in Hittite art and in the Iranian world spring to the mind, pointing to a possible Indo-European connection.

Jenny So and Emma Bunker, who organized the show, remind the reader that archaic Chinese words have Indo-European roots. These suggest very early exchanges with nomadic Iranian groups. But that still leaves unanswered the question of precisely where and by what culture the fantastic blade dug up from the "Study Collection" of the Freer Gallery of Art was made.

Around the 6th century B.C., an additional wave of nomadic Iranian groups seems to have been precipitated towards present-day Xinjiang, presumably by the campaigns of Cyrus the Great, the founder of the Persian Empire, who died in 529 B.C. fighting the Massagetae horsemen in Central Asia, as Greek historians report. It is certainly around that time that an entirely new animal art sprang up in the northern non-Chinese states within today's Chinese People's Republic.

Smithsonian Institution

A unique equine breastplate in the form of a horned feline mask.

Its diversity points to a multiplicity of highly distinctive cultures.

An extraordinary animal carved out of bone from the Therese and Erwin Harris collection suggests that the Achaemenid Imperial model obsessed the nomads. Jenny So writes that "the pose is strikingly reminiscent of the bull that adorns the columns at the Persian ruins in Persepolis [one of the Achaemenid capitals, in southern Iran]." She believes it to be even earlier, on the basis of a tiny fragment. But the latter, with its abstract stylized design leaning toward geometry belongs to a different world.

The Harris "recumbent animal" with its tail terminated with a bird's head and the L-shaped grooves formerly inlaid with some colored material is very close to the art of the Scythian nomads, including their fascination with Achaemenid art revealed by the Pazyrik finds, in the Altai.

Another Harris object is a stunning discovery. The bronze tuning-key for a zither is of a Chinese type, but the art is not remotely Chinese. So and Bunker call the mythical creature, feline-looking but with a human head and the horns of a goat, "an Achaemenid goatman." They date it to the 3d century B.C. and conclude that the object is Chinese work for a non-Chinese patron.

Yet with its very Achaemenid beard and its huge eyes, an archaic characteristic, it is unlikely to be later than the 6th-5th century B.C., neither is the feel of the bronze particularly Chinese. That a non-Chinese people borrowed the model of the zither and interpreted it within its own aesthetic language is no less plausible.

The truth is that the question of cultural identity constantly eludes us.

THE greatest puzzle of all concerns an extraordinary animal mask cast in bronze as a horse breast plate. A sort of feline mask is topped by the horns of a bull. The masterly stylization points to a self-assured school and yet it stands alone. The catalogue gives it to a "northwestern Chinese metalworking center," but of the tens of thousands of Chinese bronzes on record, none comes anywhere near this one aesthetically. Some unknown nomadic group, somewhere in Inner Mongolia perhaps?

As one goes down in time, the problems of cultural identity remain as difficult as ever. Whole groups of objects have yet to be convincingly credited. Such is a series of wonderful rectangular bronze plaques, cast and gilded. The low relief animal motifs and the framing bands point to a source in the nomadic world further West in the Scythian steppe.

"Chinese craftsmen working for northern herdsmen," is the cataloguers' verdict. They cite mercury gilding as an argument. Alas, the technique was borrowed from the Middle East and could have been used by any community producing bronzes along the roads that lead from Persepolis to Beijing through mountains and deserts. We simply haven't got a clue.

The one certainty is that the Chinese must have been fascinated by some of these art forms arriving from the steppes.

From about the 6th or 5th century B.C., Chinese art underwent a process that eventually transformed it beyond recognition.

The abstract patterns of ancient China gave way to stylized but identifiable animal motifs inserted into crowded designs that bear the imprint of the nomadic world. The "barbarians" whom China tried so hard to keep out by erecting the Great Wall north of Beijing had slipped through.

By the 3d century B.C., the metamorphosis was complete. In the admirable belt hooks of the late Zhou and early Han period, the animals of the steppe are recast in a new Chinese artistic idiom.

One of these, in the Arthur Sackler Museum, incorporates a feline mask derived from the same model that inspired the Harris horse bronze fitting.

Ideas continued to arrive from the Iranian world to be reformulated in Chinese terms with the greatest ease. Silver wine cups,for example, with bird-head spouts for pouring out the liquid, illustrate a concept steeped in ancient Iranian symbolism, as is shown in a forthcoming issue of the Bulletin of the Asia Institute, published in Birmingham, Michigan. But the Chinese 4th century B.C. silver-cup type does not resemble any known object of the Middle East. It is a new aesthetic creation, as a piece from the Metropolitan Museum shows.

The rectangular belt plaques of the Nomadic world penetrated far into China — as far as Xian, over 600 miles south of Beijing.

One of these was found in a context dating from the 2d century B.C. and has its exact match in the show. The motif is not just "West Asian," as the catalogue writes. It depicts very precisely two Iranians wearing the characteristic baggy trousers, engaged in traditional wrestling, with their torsos bare and their hair fluttering in the Scythian fashion.

In Chinese sculpture and pottery, figuration that was absent in early times became ubiquitous. Han China was a new world. It is the one with which the sons of Han identify today.

After the troubles of the Zhou times, which led to its fragmentation into "Warring States" subsided, China, having absorbed the foreign impact, serenely opened up to the outside world. It happened 22 centuries ago.

In New York, Antiques Take January Stage

By Carol Vogel
New York Times Service

NEW YORK — When the Winter Antiques Show began 42 years ago, there was nothing to compare to this patriotically American event and nothing else on the calendar to entice collectors to visit Manhattan during the bleak days of January.

But in a city like New York, one is never enough. Now the Winter Antiques Show, which runs through Jan. 28 at the Seventh Regiment Armory, has company.

The show has inspired a host of imitators: smaller, less expensive antiques shows that are all around the city. There are also special gallery exhibitions organized by dealers who do not exhibit at the Winter Antiques Show. And there are auctions: both Sotheby's and Christie's time their important American furniture and decorative arts auctions to coincide with the Winter Antiques Show because they realize that many of their important clients will be in town.

"Last January, we figured that about $38 million worth of American furniture and decorative arts were sold in New York, both at auction and at the Winter Antiques Show," said John Hays, who heads Christie's American furniture department.

"This year, the number of offerings are about the same." Hays added that this segment of the market is no longer the weak sister to its European counterparts: "All of a sudden the drum that everyone's been banging is being heard."

It certainly is at the Armory, where organizers are heralding the show's American heritage.

"The formula is simple," said Arie L. Kopelman, president of Chanel, who has been the show's chairman for two years. "We want it to have an American core, but we also want it to be eclectic. We want the best, but we also want things that are affordable. This is a show that's more about decorative arts than fine arts, with a focus on furniture and 'smalls' rather than paintings."

As always, this is a less elegant and austere event than the International Fine Art and Antiques Dealers Show, which is held each fall. But this season the Winter Antiques Show has an even more down-home quality, which makes it seem like a high-priced country fair that just happens to be in Manhattan (and also happens to include some museum-quality objects).

THE range is vast, everything from a pair of chairs for $950,000 right down to an antique children's book for $40. While the focus is heavily American, the show also includes dealers specializing in Chinese porcelains and antiquities, silver and English antiques.

By dividing some larger booths, the organizers made space for 69 exhibitors. In choosing eight newcomers, Catherine E. Sweeney, the show's manager, said she worked hard to get the show back to its original American flavor, which had been lost for many years.

NYT

Carved owl on stack of books (1878).

"We know we are low in Continental and French furniture, but we wanted more variety within the category of American antiques," she said. "We added a Shaker dealer, for example, because the show hadn't had Shaker furniture for years. We also added someone whose specialty is the American Arts and Crafts Movement."

Both are welcome additions. Suzanne Courcier & Robert W. Wilkins, Shaker dealers from Austerlitz, New York, have put together one of the show's most beautiful booths. The backdrop — green combgrained wallpaper with traditional Shaker peg-rail borders and chair railings — highlights a tailoring counter made of tiger maple and cherry from Hancock, Massachusetts.

One new dealer whose stock is an interesting departure from the usual fare of furniture or objects is Lowy, a Manhattan concern that is the largest dealer in antique picture frames in the United States. Against a green felt backdrop is a display of empty picture frames ranging from the 16th century to the early 20th century. "I'm sure we'll have people coming in asking where the pictures are," said Mark Methner, vice president of Lowy.

Not every piece with a known past at the Winter Antiques Show is grand. A wonderfully carved, 34-inch-high pine glass-eyed owl, sitting on a stack of carved wood books, is signed L. MacNeir and dated 1878. It can be bought for $32,000 at Hyland Granby Antiques, from Hyannis Port, Massachusetts. "It's a major presentation piece made for a library," Alan Granby said.

PARIS FASHION

High Stakes for Galliano — and Couture

By Suzy Menkes
International Herald Tribune

PARIS — When John Galliano kicks off his career at Givenchy at a Paris sports stadium here Sunday, it will be the fashion event of the couture season. Maybe even of the decade. For the 35-year-old British designer of maverick appearance and many disguises, is required to do more than rev up the old established couture house after the retirement last year of its founder Hubert de Givenchy.

Galliano is needed to put the heart back into haute couture.

"Awesome," says Galliano of the expectations that hang on him as he and the ateliers put the finishing touches to a collection that has been prepared behind closed doors and shuttered windows — after he had studied the archives including the famous "Audrey [Hepburn] dress and Bettina blouse." But the collection will not just be a homage to Givenchy's grand past, Galliano says, but an inspiration to move it forward.

"Our objective is simple — the renewal of the house," said Richard Simonin, Givenchy's chairman and chief executive on Friday. "We have a superb house, a heritage and the savoir faire — what we need is a new élan, and I am waiting like everyone else for Sunday."

The excitement surrounding Givenchy, which has allowed no previews and demanded release forms for the designer's abstract scribbles, cannot obscure the hemorrhaging of houses from couture's official list. Since 1988, when Christian Lacroix threw his hat into the ring, the number of couturiers has shrunk by a third.

Out this season is Carven — its couture temporarily suspended. The future of Olivier Lapidus couture has been put into question by its new backer. But at Louis Feraud, his daughter Kiki takes over as designer at Tuesday's show.

Christopher Moore

John Galliano, who is taking over at Givenchy.

Guy Laroche announced last month that it would close its couture ateliers to try a "new formula" of de luxe clothes by the designer Michel Klein. Pierre Cardin is still not presenting a collection, although the peripatetic couturier claimed last week he might show in the July season. Lanvin stopped couture in 1993 after failing to capitalize on the critical success of its designer Claude Montana. Per Spook (now trying to raise financing in the Far East) has withdrawn. Philippe Venet closed in 1995; Grès and Serge Lepage in 1991. Jean Patou, which has launched major talents including Karl Lagerfeld, finished with couture after Lacroix left in 1988.

Many people hearing this litany of names might say "Who?" or "who cares?" For the truth about Paris couture is that, for a long time, only a few have been serious players, with their ownership concentrated in a thimbleful of financial entrepreneurs or beauty companies, such as Elf Sanofi, which owns Yves Saint Laurent and partly owns Nina Ricci. Although Emanuel Ungaro still owns his house and remains independent, for couturiers to have clout, they need investors with big bucks and vision.

THE bold and dramatic choice of Galliano for Givenchy was made by Bernard Arnault, president of Moët Hennessy Louis Vuitton, or LVMH, which owns Dior, Givenchy and launched Lacroix. The rebound in the luxury sector in the mid-1990s is shown by LVMH's impressive figures. While the fashion and textile sector worldwide has been in a slump, on the Paris bourse in 1995 Christian Dior stock was up 22 percent from a year earlier, and LVMH rose 18 percent. The company's results record a strong showing for 1994, when LVMH sales rose more than 17 percent from a year earlier to 27.97 billion French francs ($5.56 billion).

Arnault can afford to take a risk on Galliano, hoping that he can do for Givenchy what hip design and steady management have done for Gucci: turn a stolid business into a roaring success. In fact, Arnault has a platinum-plated strategy. In the unlikely event that Galliano's show flops, the accompanying hoopla, the press coverage, magazine covers and television footage would still engender massive publicity.

The Galliano launch has been strategically managed by Simonin. Before he started on the couture, Galliano worked on the pre-fall collection. That will be on sale to buyers Monday. Galliano says that he is impressed by the streamlined organization of the ready-to-wear, sampled in house by the couture seamstresses — one of whom started at age 15 with Coco Chanel.

Ah! Chanel. How fares the competition on the Rue Cambon where Chanel is every financier's role model?

Karl Lagerfeld describes his collection as "more Chanel than ever, very *frivole*, a little rock" and inspired by the last collection the grande mademoiselle did before World War II. Significantly, Lagerfeld has chosen to show among the ghosts of kaisers and kings in the first floor imperial and Windsor suites at the Ritz hotel, where Coco Chanel spent her last years.

Chanel's retreat from the big boffo presentation is part of a widespread belief that couture cannot just be theatrics to engender publicity, but must also regain a complicity with the clients.

There is a general retreat from the fashion show complex at the Carrousel du Louvre. Valentino will show at the Opéra Garnier, where Balmain will hold a gala benefit Wednesday to celebrate the house's 50 years. This will not necessarily be Oscar de la Renta's seventh and final collection for Balmain. The American designer said Friday that he was in discussion with Alain Hivelin, the house's new directeur-général, about a possible prolongation.

The death of President François Mitterrand marks the passing of a fashion era, for it was the late president who lauded fashion as art, included it as part of France's cultural patrimony and invited designers to the Elysée Palace. It remains to be seen whether Galliano or any of his generation can project couture's emotional appeal into the next century.

BOOKS

HOPE

By Len Deighton. 296 pages. $24. HarperCollins.

Reviewed by
Andy Solomon

IN this eighth offering in his Bernard Samson thriller series, master espionage writer Len Deighton takes another sure-footed walk through territory trembling with uncertainty and change. This time Samson, the battle-worn British spy, heads into the chilling winds of the Cold War in the winter of 1987, through a Europe reeling from the October stock market crash. It seems that Samson's brother-in-law George Kosinski, a millionaire expatriate Pole, believes that his wife, Tessa, did not really die on a German autobahn under a barrage of Eastern-agent gunfire, an execution Samson had witnessed with his own eyes.

As Kosinski sets off on a trail that wends through England, Switzerland, Poland and Germany, the intelligence brass of London Central, suspecting that Kosinski is himself chest-deep in duplicity, sends Samson after him. Soon, at the East Prussian Kosinski estate, Samson is handed physical proof that George has been murdered by deserting Soviet soldiers.

But this is the world of cloak-and-dagger deception, where only the most experienced and perceptive can guess which Chinese box will finally contain the truth.

Samson refuses to believe that Kosinski is dead. He trudges on. And of course Samson's mistrust will prove justified. Through the obstacles and burdens slowing Samson's progress, Deighton lifts this tale to the level of heroic quest and domestic tragedy. For a British spy, Samson is absorbingly human. No martini-sipping 007, Samson is more shaken than stirred by the circumstances of his life: his career floundering, his marriage a painful muddle.

Among Samson's other attractive qualities is a jaded wit that stays on the affable side of cynicism and helps him survive the blows to his body and ego. When his wife Fiona switches on the TV, Samson observes "a discussion between four people best known for their availability to appear on TV discussion programs." Deighton's authoritative sense of place keeps the settings too immediate for confusion. He knows which vegetables the Germans eat and how "you can't get lost in Warsaw since the Soviets built the world's ugliest building there and made it so tall you can see it from Vladivostok."

Nor will new readers be lost in Samson's intricate history, as Deighton weaves in relevant background and even provides on the inside cover a tabular chronicle as detailed as those connecting the House of Plantagenet to the Tudors. Many will find this richly textured novel so absorbing they will want to pick the series up at the beginning and revel in each book.

Andy Solomon, chairman of the English and Creative Writing Department at the University of Tampa, wrote this for The Washington Post.

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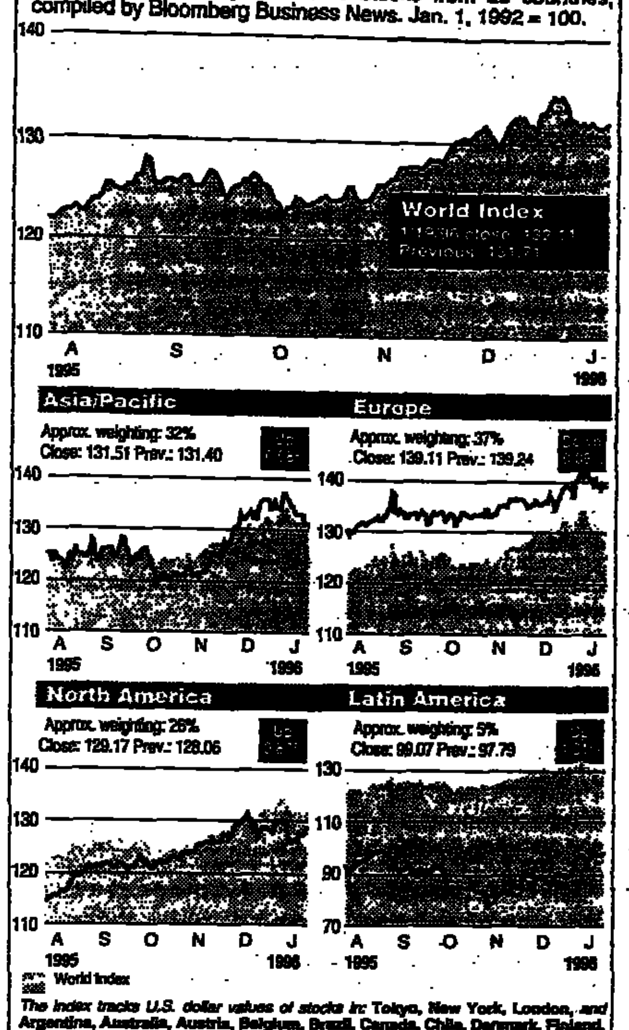
International Herald Tribune
BUSINESS / FINANCE
SATURDAY-SUNDAY, JANUARY 20-21, 1996

THE TRIB INDEX: 132.11

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors

	Fri. close	Prev. close	% change		Fri. close	Prev. close	% change
Energy	135.06	134.88	+0.13	Capital Goods	135.17	132.69	+1.87
Utilities	131.22	131.12	+0.08	Raw Materials	142.98	142.42	+0.39
Finance	124.85	124.98	–0.10	Consumer Goods	138.06	137.34	+0.52
Services	122.49	122.37	+0.10	Miscellaneous	139.61	139.70	–0.06

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

© International Herald Tribune

What French-German Pact?

Joint Initiative on Jobs Finds Little Support

By Tom Buerkle
International Herald Tribune

BRUSSELS — Despite President Jacques Chirac's call this week for a French-German initiative to stimulate growth and jobs, there is little sign — and less likelihood — that any major, effective joint action by Paris and Bonn will ever come to pass.

French and German policymakers acknowledge that their ability to deliver any stimulus to their flagging economies is severely limited in the short term by the need to meet the criteria of the Maastricht treaty on European monetary union and by the performance pressure of world capital markets.

Officials and analysts worry that by raising rhetoric with his comments Monday, Mr. Chirac may be raising the risk of a new wave of disillusionment across Europe similar to what erupted in France last year after he failed to deliver on his campaign promises to reduce unemployment.

"It's words and not deeds once more," said Dominique Moisi, deputy director of the French Institute of International Relations.

"We are rather skeptical as to what can be produced," said Richard Reid, an economist at Union Bank of Switzerland in Frankfurt. The best way to attack Europe's long-term unemployment problem, he said, is by eliminating rigid labor rules, reforming social security to cut payroll taxes, privatization and other supply side measures. "None of that is going to be put into effect in the near term," he added.

Le Figaro, the conservative French daily newspaper, noted Friday that a "great silence, in Bonn as well as Paris," had followed Mr. Chirac's announcement. It suggested that the speech was a hastily arranged call to joint action meant largely to impress.

A French government source this week seemed to back away from Mr. Chirac's statements, saying, "Don't expect a joint Franco-German statement," while German officials said a joint initiative, if and when it comes, would most likely be a repackaging of measures already announced or planned.

The problem facing any French-German initiative, for a start, is that France and Germany do not quite agree on what the problem is.

Paris, blaming a lack of demand from consumers and entrepreneurs worried about the future, is considering a reduction of some payroll taxes to lift consumer spending.

Bonn, meanwhile, is concentrating on trying to restore competitiveness to an economy staggering under the cost burdens of a strong Deutsche mark and high wages, which have caused German industry to invest some 40 billion DM ($27.22 billion) abroad in the first 10 months of 1995 — roughly 10 times the amount that foreigners invested inside Germany.

"They can coordinate speeches," said Philippe Brossard, an economist at ABN-AMRO Bank in Paris. "But I cannot see what they can do on economic policy. The big instruments are frozen."

Growth on Agenda

Agence France-Presse

PARIS — Finance officials of the Group of Seven leading industrialized countries are likely to be more concerned with bolstering growth in Japan and Europe than with foreign exchange rates when they meet here on Saturday.

The further firming of the U.S. dollar against the yen has removed currency issues from the top of their agenda for now, analysts said.

The finance ministers and central bank governors from Britain, Canada, France, Germany, Italy, Japan and the United States are likely to focus on whether there is need and scope for further easing of monetary policy, the analysts said.

U.S. Economy Sees Slow but Steady Pace of Expansion

By Lawrence Malkin
International Herald Tribune

NEW YORK — The number of U.S. jobs grew steadily but sluggishly in December, and the U.S. economy appeared to move at the same cautious pace, the government said Friday in the first solid release of official statistics after its year-end shutdown.

The Labor Department said the unemployment rate remained unchanged at 5.6 percent in December as 151,000 new jobs were created.

But the new-jobs figure was inflated by the return to work of 40,000 striking workers, mainly at Boeing Co.

The rest of the December gains came from new jobs in services, transport and government, the report said.

The White House welcomed the news, and Joseph Stiglitz, the White House economist, said, "This is the first piece of hard economic news we have had in a while, and it is good news."

But financial markets were unperturbed by the statistics, partly because they had been expecting worse.

U.S. bond yields initially rose after the report showed strong growth in the manufacturing sector. But the benchmark 30-year bond closed at a yield of 5.97 percent, down from 5.98 percent Thursday.

The Dow Jones industrial average, meanwhile, rallied 60.33 points, to 5,184.68, on bullish earnings from International Business Machines Corp. and Microsoft Corp.

The jobs data, delayed by the tug of war between the White House and Congress over the budget, which closed parts of the government for more than two weeks, also showed signs of weakness. The country's slow Christmas sales were reflected by the decline in the retail industry of 48,000 workers.

Another report also underscored a possible economic weakness. The University of Michigan said its consumer sentiment index fell to 89.9 in January from 91 in December.

In other economic news, the Commerce Department released long-delayed data that revised gross domestic product figures according to a new benchmark and updated spending patterns, most notably the falling prices of computers.

But the effect was less than expected, raising economic growth in

See JOBS, Page 10

Taking Names For Fed Posts

Bloomberg Business News

WASHINGTON — No specific candidates for the two vacant Federal Reserve Board seats have been sent to President Bill Clinton for his consideration, the White House press secretary, Michael McCurry, said Friday.

Despite published reports, Mr. McCurry said, the New York investment banker Felix Rohatyn was not now a leading contender to be deputy chairman of the Fed.

"I don't have anything that confirms to me he is even under consideration," Mr. McCurry said. His comments were unusual in that the administration has a long-standing policy of not commenting on any potential candidates for seats on the Federal Reserve Board.

Published reports suggested that Mr. Rohatyn, a managing director of Lazard Frères & Co., was being considered to replace Alan S. Blinder, who is retiring as deputy chairman.

Mr. Rohatyn and Mr. Blinder share a similar belief in the importance of economic growth, suggesting he might support a more expansive monetary policy.

That might be attractive to the president in an election year.

Decision Delayed on Fokker Rescue

Compiled by Our Staff From Dispatches

THE HAGUE — The Dutch government said Friday that a decision on the future of Fokker NV had been postponed until Monday, when the supervisory board of Daimler-Benz AG, the aircraft maker's other major shareholder, will meet.

"I don't want to make any announcements on the conclusion of the talks, ahead of further decision-making at Daimler Monday," Economics Minister Hans Wijers said.

The brief statement came at the end of make-or-break talks between Mr. Wijers; Prime Minister Wim Kok; the Daimler-Benz chairman, Jürgen Schrempp; Manfred Bischopp, chairman of Daimler-Benz Aerospace AG, and a Dutch negotiator, Floris Maljers, a former chairman of Unilever.

Before going into the meeting, Mr. Kok warned that the future of the beleaguered Dutch planemaker looked grim. Daimler, which owns 78 percent of the holding company that owns a controlling stake in Fokker, has requested up to 3 billion guilders ($1.82 billion) of Dutch state aid to keep it afloat. Mr. Kok said this was "unthinkable."

Fokker's 6,000 employees marched through the streets before the meeting in a bid to avert the greatest mass layoff in Dutch corporate history. The workers urged Daimler and the government to secure a future for the aircraft maker.

Fokker's shares plunged 10 percent in active trading on the Amsterdam exchange. The stock closed at 6.2 guilders, extending Thursday's 20-percent decline.

(Bloomberg, Reuters)

ECONOMIC SCENE

Bosnia to Get Cows, Not Cash, as Aid

By James Hansen
Special to the Herald Tribune

ROME — "Animal banking" may help rebuild the economy of war-torn Bosnia-Herzegovina. The Rome-based International Fund for Agricultural Development, or IFAD, a small and unusually efficient special agency of the United Nations, is considering a plan to lend pregnant livestock to Bosnian farmers who will then replay their debt in live animals.

Farmers participating in the project would make repayment in two to three years by contributing a female animal for each one they had initially received to cooperative animal banks. IFAD would then integrate the fresh livestock into the lending pool — a four-hooved form of revolving credit.

The unusual loan arrangement is necessitated by the well-known mechanism by which banks can lend only to those able to demonstrate they do not need the money. Agencies like IFAD have had difficulty getting funds to those who need it in Bosnia because postwar conditions do not allow ordinary lending requirements to be met.

The economy of Bosnia-Herzegovina is heavily dependent on agriculture, with a major emphasis on sheep and cattle. But war has decimated the population of meat and milk animals. The government estimates that country's livestock count has fallen by 70 percent.

A study by an IFAD team that visited the area in central Bosnia chosen for the animal banking project said, "Cow sheds and barns have been burned down, farm houses blown up, tractors and equipment stolen or destroyed and irrigation systems vandalized."

Mr. Theodore van der Pluijm, the IFAD officer who led the team, said damage to agricultural infrastructure, "ranges from extreme, where fields are heavily mined, to moderate but still significant damage in areas which escaped the brunt of fighting."

A UN agency plans to give Bosnian farmers a kind of four-hooved revolving credit.

IFAD has tentatively earmarked $5 million to provide about 2,200 head of cattle and 8,000 sheep to farmers in central Bosnia within the year. Agency planners count on finding another $5 million from outside donors to double those figures. The livestock would be purchased in the alpine regions of Western Europe, because of the similarities to the Bosnian climate and terrain.

The choice of taking relatively expensive Western European livestock to Bosnia also stems from a desire to improve the bloodlines of the local animals, "and lay the basis for a real cattle-raising industry," an agency official said.

"This part of former Yugoslavia must recover its role in providing beef to all of Western Europe," he added. "It would be short-sighted to encourage a marginal farming effort."

Mr. van der Pluijm said the innovative project was necessary, "to alleviate the misery of the people, eliminate the need for large-scale food aid and reduce tensions which could contribute to a resumption of the war."

Internal documents at IFAD indicate the organization has ruled out more conventional forms of aid for now because of "substantial risks caused by institutional weakness, absence of support services and the lack of marketing and infrastructure."

The noncash loan program also complies with the desires of a Bosnian government that is wary of acquiring "insupportable" levels of foreign debt during the postwar reconstruction process.

Jim Moody, IFAD's vice-president, said, "The plan is still subject to final approval by our board, but if we get that as expected, our animals will be able to hit the ground running late this Spring."

The target date for the first deliveries is May.

IFAD has been preparing for its Bosnian mission by using Albania as a training ground.

"They are similar, both in terrain and in having a Muslim majority in their population," an agency official said.

Chrysler Brakes a Steep Profit Fall

Compiled by Our Staff From Dispatches

HIGHLAND PARK, Michigan — Chrysler Corp. said Friday its fourth-quarter earnings fell 11 percent from a year earlier, but the results were still above forecasts and marked the second-best quarter ever for the automaker.

The No. 3 U.S. automaker said it earned $1.04 billion in the quarter, down from $1.17 billion a year ago. Revenue rose 6 percent, to $15.1 billion, supported by brisk demand for minivans and other light trucks.

Chrysler's strength in the light-truck market meant it was not crippled as badly as analysts had thought it would be by the sluggish market for cars, which has triggered an industry flurry of profit-cutting rebates and other incentives.

"They didn't have to put incentives on the minivan or Ram pickup truck, which really are their bread-and-butter products," said Ken Blaschke, an analyst with Dean Witter Reynolds.

Earnings also were lifted by Chrysler Financial Corp., which posted a 125 percent increase in quarterly earnings from a year ago, to $97 million.

In New York, Chrysler's shares closed up $1.875, at $54.125.

For the full year, Chrysler's earnings dropped 45 percent, to $2.03 billion, even though sales rose 2 percent, to $53.2 billion.

Robert J. Eaton, Chrysler's chairman, said the results were an endorsement of the company's business strategies.

"In fact, 1995, the third most profitable year in our history, was an outstanding year for Chrysler in almost every respect, despite a softening in the automotive marketplace," he said.

Mr. Eaton also said the results confirmed the company's strategy of "continually delighting our customers with new and improved vehicles, preserving financial flexibility and balancing short- and long-term shareholder returns."

His statement echoed the company's defense against its largest private shareholder, Kirk Kerkorian, who led a failed $23 billion takeover attempt in the spring and has continued to criticize management for neglecting shareholders.

Mr. Eaton said Chrysler had returned $1.8 billion to its shareholders in 1995 in the dividends and stock buybacks.

"We increased our common stock dividend twice in 1995. We also repurchased $1.1 billion of our common stock and expect to complete our cumulative $2 billion common stock repurchase program by the end of 1996," he said.

Chrysler is the first of the Big Three domestic car companies to announce fourth-quarter results. *(Bloomberg, AP)*

Tokyo Says Most Bad Loans Not Repaid

Bloomberg Business News

TOKYO — The Japanese government, in its most detailed assessment of the troubles at seven mortgage lenders, said Friday that 76 percent of the companies' total loans of 8.13 trillion yen ($76.87 billion) are not being paid back.

The report was ordered by Prime Minister Ryutaro Hashimoto as part of an effort to build support for a partially taxpayer-financed cleanup of the bad loans. "We're trying to disclose [information] as aggressively as possible" to gain the public's support, Finance Minister Wataru Kubo said Friday.

The report said total losses, including securities and land holdings, could be 6.27 trillion yen for the insolvent lenders, since about 46 percent of the loans may still be collected and some collateral sold.

Analysts were skeptical about the figures. "This is absolutely optimistic," Yukiko Ohara of UBS Securities Ltd. said. "More than 80 or 90 percent of the nonperforming loans will be lost."

The mortgage companies, known as *jusen*, are at the heart of the 37 trillion yen bad-loan crisis plaguing the nation's banks, holding more than 22 percent of the total amount of bad loans.

The document listed the largest amounts borrowed at each company and the city of the borrower's address, but the names of neither companies nor individuals were given.

A Finance Ministry official, who asked not to be named, defended the decision to keep the identities of borrowers out of the report, saying there was "a basic problem of privacy."

The report also skirted the issue of the responsibility of the Finance Ministry, which actively promoted the establishment of the mortgage firms in the 1970s.

■ Bailout Approval Is Likely

Japan's Parliament is likely to approve the use of 685 billion yen ($6.48 billion) in taxpayer money to help dispose of bad loans held by insolvent housing lenders.

New Frontier Party, the leading opposition party, will make the unpopular bailout the focus of its attacks on Mr. Hashimoto during the legislative session that begins Monday.

But sheer numbers should allow the plan to pass, Kazuo Aichi, a New Frontier official, said. The ruling coalition has 59 percent of the lower house of the Diet, the more powerful of the two chambers.

Micron Chief Resigns

The Associated Press

BOISE, Idaho — In the second shake-up in as many years, Micron Technology Inc.'s chief executive has abruptly resigned from the computer chipmaker.

Steve Appleton, the 35-year-old wunderkind who in nine years rose from the production line to chief executive, resigned "for personal reasons," effective immediately, the company said Thursday.

Tyler Lowrey, deputy chairman and chief technical officer, was named chairman and chief executive. Micron is one of just two U.S.-based companies that produce memory chips.

The shake-up was reminiscent of the one that lifted Mr. Appleton into the top spot in September 1994. At that time, the chief executive officer, Joe Parkinson, the company's founder, resigned amid speculation of a rift with its biggest shareholder, J.R. Simplot. Analysts suspected Mr. Simplot also was behind Mr. Appleton's departure.

Micron Technology's shares fell 87.5 cents to close Friday at $31.125.

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Cross Rates — Jan. 19

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.657	2.501	1.1199	0.3282	0.1045*	—	5.449*	1.3805	1.572*	1.207	1.3285*
Brussels	30.26	46.03	20.55	6.013	1.9160*	18.35	—	25.475	0.2861	22.12	24.36*
Frankfurt	1.4772	2.2361	—	0.2936	0.9326*	0.893	4.8663*	1.2395	1.4011*	1.0826	1.1856*
London (a)	1.5107	—	2.2244	7.6224	2,395.30	2.5011	45.844	1.8084	159.24	2.0622	188.01
Madrid	124.464	188.513	84.354	24.683	7.858*	75.728	4.1058	104.565	118.987*	91.283	—
Milan	1,582.10	2,396.80	1,071.75	313.70	—	956.50	52.09	1,330.00	15.08	1,159.90	12.69
New York (b)	—	1.5185a	1.4803	5.0535	1,582.00	1.6445	30.46	1.1925	105.325	1.3662	124.86
Paris	5.0405	7.6335	3.4175	—	0.3184*	3.0518	0.1663	4.2364	4.7842*	3.6982	4.0525*
Tokyo	105.70	160.16	71.70	21.01	0.67	64.01	3.4908	88.90	—	77.55	0.8515
Toronto	1.3657	2.0601	0.9218	0.2701	0.0862*	0.8224	0.4487*	1.1445	1.2964*	—	1.095*
Zurich	1.193	1.7998	0.8069	0.2362	0.0753*	0.7283	3.9244*	—	1.132*	0.8746	0.9535*
1 ECU	1.2807	0.8456	1.8897	6.458	2,028.64	2.1161	38.831	1.5244	134.986	1.7462	159.358
1 SDR	1.4621	0.9658	2.1596	7.3725	N.Q.	2.4158	44.3741	1.7408	154.44	1.9991	183.573

Closings in Amsterdam, London, Milan, New York, Paris and Zurich, fixings in other centers; Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Eurocurrency Deposits — Jan. 19

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1 mo.	5 3/8 - 5 1/2	3 1/2 - 3 5/8	1 1/8 - 1 1/4	6 3/16 - 6 5/16	4 3/8 - 4 1/2	3/8 - 1/2	4 11/16 - 4 13/16
3 mo.	5 5/16 - 5 7/16	3 3/8 - 3 1/2	1 5/16 - 1 7/16	6 1/8 - 6 1/4	4 7/16 - 4 9/16	1/2 - 5/8	4 9/16 - 4 11/16
6 mo.	5 3/16 - 5 5/16	3 5/16 - 3 7/16	1 5/16 - 1 7/16	6 1/16 - 6 1/4	4 7/16 - 4 9/16	1/2 - 5/8	4 1/2 - 4 5/8
1 yr	5 - 5 1/8	3 1/4 - 3 3/8	1 5/16 - 1 7/16	5 15/16 - 6 1/16	4 7/16 - 4 9/16	5/8 - 3/4	4 1/2 - 4 5/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5 1/4	5 1/4
Prime rate	8 1/2	8 1/2
Federal funds	5 7/16	5 3/8
3-month CDs	5.01	5.03
Comm. paper 180 days	6.11	6.11
3 month Treasury bill	4.96	4.96
1-year Treasury bill	4.75	4.74
2-year Treasury note	5.02	4.99
5-year Treasury note	5.26	5.24
7-year Treasury note	5.37	5.36
10-year Treasury note	5.53	5.52
30-year Treasury bond	5.97	5.98
Merrill Lynch 30-day RA	5.20	5.20
Japan		
Discount rate	0.50	0.50
Call money	0.41	0.41
1-month interbank	0.44	0.47
3-month interbank	0.56	0.53
6-month interbank	0.53	0.53
10-year Gov't bond	2.85	2.79
Germany		
Lombard rate	5.00	5.00
Call money	3.48	3.45
1-month interbank	3.63	3.68
3-month interbank	3.52	3.55
6-month interbank	3.42	3.47
10-year Bund	5.83	5.80
Britain		
Bank base rate	6 1/2	6 1/2
Call money	6 3/8	6 3/8
1-month interbank	6 5/16	6 5/16
3-month interbank	6 1/4	6 1/4
6-month interbank	6 1/8	6 1/8
10-year Gilt	7.27	7.24
France		
Intervention rate	4.45	4.45
Call money	4 1/2	4 5/8
1-month interbank	4 9/16	4 1/2
3-month interbank	4 5/8	4 9/16
6-month interbank	4 5/8	4 9/16
10-year OAT	6.29	6.30

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	397.00	399.50	+1.75
London	396.80	399.10	+1.60
New York	397.20	399.90	+2.30

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)
Source: Reuters.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9993	Greek drac.	240.96	Mex. peso	7.465	S. Afr. rand	3.6464
Australian $	1.3585	Hong Kong $	7.728	N. Zealand $	1.5074	S. Kor. won	789.89
Austrian sch.	10.378	Hung. forint	142.36	Norw. krone	6.435	Swed. krona	6.6986
Brazil real	0.972	Indian rupee	35.84	Phil. peso	26.19	Taiwan $	27.40
Chinese yuan	8.2919	Indo. rupiah	2293.58	Polish zloty	2.53	Thai baht	25.26
Czech koruna	27.11	Irish £	0.6371	Port. escudo	151.91	Turkish lira	60466.5
Danish krone	5.704	Israeli shek.	3.1377	Russ ruble	4683.	UAE dirham	3.6710
Egypt. pound	3.3915	Kuw dinar	0.2998	Saudi riyal	3.7495	Venez. boliv.	370.00
Fin. markka	4.4643	Malay. ring.	2.5523	Sing. $	1.4192		

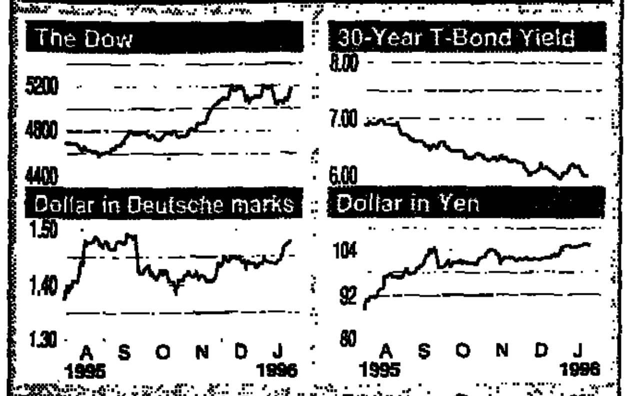
Forward Rates

Currency	30-day	60-day	90-day
Pound Sterling	1.5139	1.5119	1.5111
Canadian dollar	1.3632	1.3633	1.3633
Deutsche mark	1.4726	1.4701	1.4678
Japanese yen	104.84	104.38	103.92
Swiss franc	1.1866	1.1829	1.1792

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

THE AMERICAS

Investor's America



Exchange	Index	Friday Close	Prev. Close	% Change
NYSE	The Dow	5184.68	5124.35	+1.18
NYSE	S&P 500	611.83	608.24	+0.59
NYSE	S&P 100	584.41	580.85	+0.63
NYSE	Composite	327.86	326.15	+0.52
U.S.	Nasdaq Composite	1018.45	1007.24	+1.11
AMEX	Market Value	530.62	529.05	+0.30
Toronto	TSE Index	4821.10	4798.10	+0.48
São Paulo	Bovespa	49090.38	48338.58	+1.56
Mexico City	Bolsa	3058.42	2983.31	+2.52
Buenos Aires	Merval	548.19	531.38	+3.16
Santiago	IPSA General	5793.11	5794.59	-0.03
Caracas	Capital General	1985.55	1975.80	+0.49

Source: Bloomberg, Reuters — International Herald Tribune

Correction

The "% Change" column of the Investor's America chart was incorrectly updated in one edition on Friday, Jan. 19. A correct copy of the chart can be obtained, via telefax, by phoning in France: (33 1) 41 43 93 23.

Very briefly:

Maybelline Bidding War Escalates

MEMPHIS, Tennessee (AP) — Maybelline Inc. said Friday that Joh. A. Benckiser GmbH was prepared to top L'Oréal's $568 million buyout offer for the U.S. cosmetics company.

L'Oréal said Thursday it would offer $41 a share for Maybelline, countering a proposal a day earlier of $37 a share from the German company. Maybelline and L'Oréal agreed in December on a price of $36.75 a share.

• **Borg-Warner Automotive Inc.** plans to sell its North American manual-transmission manufacturing unit, one of the few remaining U.S. companies in the business.

• **British Airways PLC** will not exercise two options to buy another $450 million of preferred shares in USAir Group Inc. The British carrier bought 24.6 percent of USAir in 1993 hoping to expand the linkup, but the United States has not lifted its 25 percent ceiling on foreign ownership.

Names, names, names . . .

• **Richard Lappin** was named president of Fruit of the Loom Inc., replacing **John Holland**, who is retiring.

• **Catherine Good Abbott** was named head of Columbia Gas System Inc.'s interstate pipeline system. *Bloomberg, NYT*

A Bite of Apple Still Tastes Nice

By Lawrence M. Fisher
New York Times Service

NEW YORK — It is not an investment strategy for the weak of heart, but buying Apple Computer Inc. at its lows has historically been one way to make nice returns.

So, are there any buyers?

Apple's shares fell to a 52-week low Friday, dropping $2.0625, to $29.8750, after the company reported Wednesday that it had a loss of $69 million in its first financial quarter and that it would lay off 1,300 employees as part of a restructuring plan.

The drop reflected more than the loss, which Apple had warned of a week earlier. It also indicated investors' dissatisfaction with the sketchy plans Apple's management articulated for turning the company around.

Analysts at PaineWebber Inc., Oppenheimer & Co. and J.P. Morgan Securities Inc. all lowered their ratings on Apple stock. Some analysts complained that the company either did not have, or would not disclose, an adequate plan to revive its business.

The decline in Apple's share price could renew the company's prospects as a takeover candidate. A number of companies, including International Business Machines Corp., AT&T Corp., Oracle Systems Corp. and Motorola Inc., have been floated as possible acquirers, and might find Apple more attractive now that the company is valued at less than $4 billion.

Some analysts said it was the possibility of a takeover that keeps the stock from falling even further.

"Among technology investors there are two articles of faith right now," said Roger McNamee, a principal in Integral Capital Partners, a fund based in Menlo Park, California, that focuses on technology investments.

"The first one is the semiconductor industry is dead, and the second one is that Apple is toast. Any consensus that extreme is likely to be wrong." He said buying Apple was a good contrarian move.

"Apple still has a terrific product franchise," Mr. McNamee said, adding that the company had "$11 billion in sales and 14 million satisfied customers."

While its operating system has a low market share overall compared with Microsoft Corp.'s Windows, it has a high market share in several interesting pieces of the market, including education and the Internet.

"Apple's share of Internet servers has gone from zero to 25 percent in a couple of quarters, which doesn't look like a dying business to me."

While Apple's conference call with securities analysts Wednesday left most of them unsatisfied, Kimball Brown, an analyst with the market research firm Dataquest Inc., said he found more cause for hope in a subsequent one-on-one conversation with Apple's president and chief executive, Michael H. Spindler.

He said Mr. Spindler told him that Apple's outlook could change radically in the second half of the year with the release of a common hardware reference platform, or CHRP. This is a computer design agreed to by Apple, IBM and Motorola that could use not only the Macintosh operating system, but also the Unix, OS/2 and Windows NT operating systems. Other companies could manufacture the CHRP platform as well.

In the best-case scenario, Mr. Brown said, the common hardware platform would expand the use of the Macintosh operating system and end the talk of the Mac becoming obsolete.

■ Microsoft Shares Gain

Microsoft Corp. shares rose Friday after the software company reported better-than-expected earnings for its second financial quarter on strong sales of its Windows 95 operating system and related products, Bloomberg Business News reported from Redmond, Washington.

Shares of the world's biggest PC software company rose $4.250 to close Friday at $91.875.

Microsoft's net income for the quarter rose 54 percent, to $575 million, helped by a gain from the sale of a British publishing company. The company earned $373 million a year ago.

Excluding the gain, the software company said per-share earnings rose to 87 cents. Wall Street expected Microsoft to earn 84 cents a share from operations, according to analysts polled by Zacks Investment Research.

Sales for the quarter ended Dec. 31 rose to $2.2 billion from $1.48 billion on increased revenue from PC makers, which pack their machines with Windows 95.

JOBS: *Steady, but Slow Growth*

Continued from Page 9

the third quarter of 1995 to 3.2 percent from a previously estimated of 3 percent.

Treasury officials and private economists said that the final quarter of 1995 would bring slower growth.

Amid certainty that some economic growth was buried under January's blizzards on the East Coast, analysts said, the state of the economy in the first quarter of this year remained in question for the Federal Reserve Board. Its policymakers are scheduled to meet Jan. 30-31 to determine interest rate policy for the next six months.

The principal danger to the economy remains that Republicans in the House of Representatives will refuse to fund the government at all, forcing the Clinton administration toward their views by threatening a default on U.S. government bonds.

"We start with an economy that is not so promising in Europe or the United States, and it only takes one financial shock to tip it over the edge into recession," said Geoffrey Bell, New York investment adviser and secretary of the Group of 30, a study group of bankers and financial officials. "A default could do it."

But Allen Sinai, chief economist of Lehman Brothers Global Economics, said the figures showed the economy proceding at its underlying trend rate, which is only about 2.1 percent. This low-gear movement upward also is the target for the Fed.

Mr. Sinai said the Fed would try to ignore Washington's fiscal tussle this month because it has already been told by a panel of a dozen economists from business, academia, and former chiefs of the Congressional Budget Office that neither Republican nor Democratic budget plans cut spending enough this year to drag down the economy and thus necessitate a cut in interest rates by the Fed.

Like many economists, Mr. Sinai said a combination of factors would keep the Fed on hold until March, including the uncertainties in the figures and the return to Princeton University of Vice Chairman Alan S. Blinder, who argued strongly for December's cut in short-term rates.

David Munro of High Frequency Economics and a former White House economic forecaster, said, "Markets believe that modest growth is insufficient growth and that the Fed has to hasten easing short rates. Nonsense."

■ Earnings Power Blue-Chips

Stocks rallied for a second day as investors bet on expectations that blue-chip companies would keep posting strong earnings, news agencies reported.

The expiration of options on individual stocks and stock indexes, together with increased purchases of U.S. stocks by overseas money managers, further contributed to the advance, traders said.

The Dow Jones industrial average closed 60.33 points higher, at 5,184.68. Advancers outpaced decliners by a 13-to-10 ratio on the New York Stock Exchange.

Unexpectedly strong earnings "suggest that the economy might be healthier than the consensus has been coming to believe," said Robert Stovall, president of Stovall/Twenty-First Advisers. "Most of the data since November suggested the soft landing was sliding into a swamp. Now it looks like it may be more of a liftoff."

Strong earnings helped IBM, the most active NYSE issue, gain 6½, to 102¾.

General Electric rose 1⅛, to 74⅛, after the company said late Thursday that its fourth-quarter profits had nearly doubled.

Microsoft soared 4⅛, to 92¼, after the software company posted strong quarterly net income amid strong sales of its Windows 95 operating system and related products.

"Microsoft is just dynamite," said James Cramer, chief investment officer at Cramer Partners. "This company is firing on all cylinders. Windows 95 is not even an issue. This is a company that had products that cut across all industries."

Other technology issues also gained, with Cisco up 3 13/16, at 74 11/16, Dell up 1¾, at 26¼, Bay Network up 1½, at 40⅝ and Hewlett Packard up 2¼, at 77¾.

Cephalon plunged 13½, to 22⅜ and Chiron dropped 5½, to 104, after the companies said early distribution of their Lou Gehrig's disease drug would be delayed.

Atmel gained 2⅛, to 26⅞, after the semiconductor maker was upgraded by Goldman, Sachs & Co.

Pacific Telesis Group fell 3⅛, to 29⅝ after the regional Bell was downgraded by Cowen & Co. and PaineWebber. *(Bloomberg, AP)*

Rate Cuts and G-7 Help Lift Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar rose Friday against most major currencies amid expectations for further interest-rate cuts in Europe.

The U.S. currency also drew strength from speculation that finance ministers and central bankers from the Group of Seven industrial countries will discuss ways to bolster it when they meet Saturday in Paris.

The dollar closed Friday at 1.4803 Deutsche marks, up from 1.4740 DM Thursday. It fell to 105.325 yen from 105.485 yen.

The dollar rose to 1.1925 Swiss francs from 1.1885 francs, and

FOREIGN EXCHANGE

it climbed to 5.0535 French francs from 5.0315 francs. The pound fell to $1.5105 from $1.5175.

"Interest rates in Europe have been coming down even faster than here," said Ray Goodner of American Express Financial Advisors. "There's widespread concern about the European economies."

Britain, France and the Netherlands trimmed official interest rates Thursday, and many investors are betting Germany will lower rates again soon, he said.

Treasury Secretary Robert E. Rubin reiterated Friday that the Clinton administration favored a strong dollar, fueling talk the G-7 may endorse a further rise in the U.S. currency. Monetary policy also is expected to be high on the G-7 agenda. *(Bloomberg, AFP, AFX)*

WORLD STOCK MARKETS

Friday, Jan. 19
Prices in local currencies.
Telekurs

Amsterdam

	High	Low	Close	Prev.
ABN-AMRO	77.20	76.50	76.60	76.80
Aegon	74.70	73.50	74	73.50
Ahold	68.90	67.60	68.80	68
Akzo Nobel	182.30	180.10	181.30	181.80
Bols Wess cva	37	36.60	36.80	36.80
CSM cva	74.60	73	74.50	74.20
Dordtsche Pet	239.40	234	238.50	239
DSM	137.50	135.70	137.50	136.40
Elsevier	22.40	22.10	22.40	22.10
Fortis Amev	113.50	112	113.10	112.20
G-Broc cva	54.50	52.30	54.20	52.50
Hagemeyer	91.10	90	90.10	90.70
Heineken	311.50	307.20	309.70	309.50
Hoogovens	59.10	57.70	58.50	58.80
Hunt Douglas	84	82.20	84	83
ING cva	112.50	111.60	112.50	112
KLM	56	54.90	55.70	56
KNP BT	44.80	43.60	44.10	43.90
KPN	64.70	63.50	64.30	63.50
Nedlloyd Gp	34.70	34.20	34.40	34.30
Nutricia	142.30	138.40	141.80	137.90
Oce Grinten	113.40	112.20	113	113.10
Pakhoed	43	42.70	42.90	43.10
Philips Elec	63.80	62.90	63.60	63.40
Polygram	92.30	90	91	89
Randstad Hdg	78	75	76	76
Robeco	118.10	117.50	117.50	117.40
Rodamco	47.60	47.20	47.30	47.20
Rolinco	125.60	125	125	124.40
Rorento	97.10	96.90	96.90	96.50
Royal Dutch	226.50	224.50	225.40	223.10
Stork	43.80	43	43.70	43.70
Unilever cva	235.20	232.10	235.20	232.50
VNU	247.80	242.70	246	245
Wolters Kl cva	156.50	149.20	155.70	149.70

EOE index: 508.53
Previous: 504.93

Bangkok

	High	Low	Close	Prev.
Adv Info Svc	500	482	498	484
Bangkok Bk F	340	334	340	328
Krung Thai Bk	119	116	119	116
PTT Explor	292	276	292	286
Siam Cement F	1420	1384	1420	1420
Telecomasia	79.50	76.50	79	77
Thai Airways	45.25	42.25	44.75	42.25
Thai Farm Bk F	274	270	272	270
Thai Teleph	141	139	141	140
Utd Comm	334	328	334	330

SET index: 1375.03
Previous: 1354.21

Bombay

Thursday, Jan. 18

	High	Low	Close	Prev.
Assoc Cement	2765	2680	2750	2735
Grasim Ind	500	490	496	502
Hindalco Ind	904	896	904	908
Indust Lever	630	626	630	626
Indian Hotels	606	600	600	606
ITC	225	220	223	226
Larsen Toubro	250	244	250	251
Reliance Ind	177	171.25	172.75	177.25
Tata Eng Loco	379	366	378	375
Tata Iron St	170.25	167	167.50	172.25

Sensitive index: 2940.40
Previous: 2962.91

Brussels

	High	Low	Close	Prev.
Arbed	3625	3595	3595	3575
Barco Ind	3795	3750	3780	3720
BBL	5950	5830	5930	5840
Bekaert	26525	26000	26500	26025
CBR	12075	11975	12050	12025
CMB	2475	2390	2370	2340
Cockerill	180	175	179	175
Colruyt	9180	8850	8970	9080
Delhaize Lion	1272	1258	1272	1250
Electrabel	7490	7450	7480	7440
Electrafina	3090	3030	3070	3050
Fortis AG	3780	3750	3770	3740
GIB	1366	1330	1358	1330
GBL	4300	4250	4280	4240
Gen Banque	11300	10975	11175	10900
Glaverbel	3370	3320	3320	3330
Kredietbank	8850	8630	8670	8600
Mosane	1980	1980	1980	1955
Petrofina	9210	9100	9180	9060
Powerfin	4400	4230	4400	4190
Recticel	355	350	350	350
Royale Belge	6320	6160	6230	6130
Soc Gen Belg	2585	2545	2550	2560
Solvay	17150	16550	16800	16950
Tessenderlo	11500	11200	11500	11250
Tractebel	13400	12875	13200	12850
UCB	41500	41100	41250	41150
Union Miniere	2185	2150	2165	2130

Stock Exchange index: 8910.87
Previous: 8826.99

Copenhagen

	High	Low	Close	Prev.
Carlsberg B	329	320	325	327
Danisco	293	288	289	288
Den Danske Bk	411	400	400	407
D/S Svendbrg A	N.T.	N.T.	N.T.	167000
D/S 1912 A	117500	117000	117500	117000
East Asiatic Co	131	120	125	128
FLS Ind B	486	480	480	485
ISS Intl Svc B	146	142	145	143
Nvo Nordisk B	791	781	784.30	784
Radiometer B	422	415	416	418
Sophus Ber B	662	654	657	656
Tele Danmk B	309	303	306.50	301
Unidanmark A	303	298	298	300

Stock Market index: 387.73
Previous: 386.68

Frankfurt

	High	Low	Close	Prev.
AMB	940	935	935	935
AEG	155.50	155	155.20	154
Allianz Hdg	2899	2885	2895	2891
Altana	872	866	866	870
Aska Deutsche	775	766	774	778
Badenwerk	490	490	490	485
BASF	355.50	352.60	354.20	352.80
Bayer Hypo Bk	36.45	36.25	36.28	36.50
Bay.Vereinsbank	42.62	42.45	42.45	42.62
Bayer	426.20	422.70	425.60	422.30
Berliner Kraft	431	429	431	426
BHF Bank	41.30	41.10	41.14	41
BMW	807	804	805.50	806
CKAG Colonia	1200	1185	1198	1205
Commerzbank	350.50	348.50	349	348
Daimler Benz	776	770.50	773	767.50
Degussa	521	516	519.20	520.50
Deutsche Bank	69.25	68.20	69.05	67.70
Dresdner Bank	37.85	37.60	37.78	37.65
Heidelbg Zmt	935	925	935	922
Henkel	571.25	570	571.25	562
Hochtief	649	645	649	642
Hoechst	432	429.70	431.10	429.40
Holzmann Ph.	580	570	570	572
Karstadt	593	583	593	585
Kaufhof Hdg	462.50	454.50	462.50	459
Linde	898	881	886	902
Lufthansa ord	218.50	216.30	217	215
MAN	432.50	429	429	431
Mannesmann	509	499.20	503.50	495.80
Muench Rueck	3215	3205	3213	3200
Preussag	437	433.25	436	430.80
PWA	216	215	215	215.50
RWE	561	558	559.50	559.50
SAP pfd	226	218	223.50	215.20
Schering	105.40	104.50	104.90	103.10
Schmalb Lub	230	222	228.50	218
Siemens	825.80	823	824	816
Suedzucker	760	760	760	767
Thyssen	284.50	282.20	284.40	281.30
Veba	65.28	64.85	65.05	64.68
VEW	521	520	521	520
Viag	628.75	625.50	626.50	621
Volkswagen	543.50	540.50	542	534.50
Wella	793.50	787	791.50	793

DAX index: 2398.74
Previous: 2380.98

Helsinki

	High	Low	Close	Prev.
Cultor I	199	194	196	195
Enso-Gutzeit R	27.50	27.20	27.30	27.30
Huhtamaki IF	124	123	123	124
Kesko	57.50	56.50	57.50	57.10
Kone BF	363	361	363	360
Kymmene F	112	109	110.40	108
Merita A	12	11.60	11.70	11.80
Metra BF	179	176	178.50	175.50
Metsa-Serla B	124	123	123.50	123.50
Nokia Prf F	167.50	163.50	166	161
Outokumpu A	71	69.50	69.80	70
Rautaruukki	27.50	27.10	27.10	27.30
Repola	80	78.50	79	78.50
Stockmann A	248	243	248	247
Valmet A	116.50	115.20	116	115

HEX General index: 1710.55
Previous: 1708.74

Hong Kong

	High	Low	Close	Prev.
Amoy Props	8.60	8.45	8.50	8.40
Bk East Asia	30	29.70	29.95	29.55
Cathay Pacific	12.85	12.45	12.70	12.45
Cheung Kong	52.75	50.75	51.50	50
China Light	38.20	37.70	38	37.70
Chin Estates	6.50	6.25	6.40	6.30
Citic Pacific	29.15	28.70	29.10	28.45
Cons Elec Pwr	14.55	14.25	14.40	14.10
Dao Heng Bk	31.30	30	30.90	29.70
First Pacific	9.65	9.45	9.60	9.45
Great Eagle	22.20	22.05	22.10	22
Guangdong Inv	5.60	5.50	5.60	5.55
Guoco Group	40.30	39.80	40.20	39.90
Hang Lung	14.50	14.15	14.40	14
Hang Seng Bk	71.50	70	71.25	69.25
Henderson Inv	7.20	7.10	7.20	7.15
Henderson Ld	52.25	51.50	52.25	51
HKR Intl	8.40	8.20	8.35	8.20
HK Aircraft	24.65	23.90	24.60	23.80
HK China Gas	13.85	13.70	13.75	13.70
HK Electric	26.35	26	26.30	26
HK Shang Htls	12.40	11.95	12.40	11.95
HK Telecomm	14.70	14.50	14.60	14.55
Hopewell Hdgs	5.05	4.95	5.05	4.90
HSBC Hdgs	123	120	123	119
Hutchison Wh	48.90	47.20	48.70	47.20
Hysan Dev	22	21.70	21.95	21.65
Johnson El 500	14.80	14	14.20	14.60
Miramar Hotel	16.85	16	16.75	15.70
Natl Mutual	6.95	6.90	6.95	6.95
New World	34.70	34.20	34.50	34
Oriental Press	2.75	2.68	2.75	2.58
Orient Telecom	2.65	2.58	2.58	2.65
Shangri-La	10.90	10.30	10.75	10.30
SHK Props	64.75	64	64.75	63.75
Shun Tak Hdgs	5.80	5.60	5.75	5.75
Sino Land Co.	7.65	7.50	7.65	7.55
Sth China Post	4.98	4.90	4.98	4.90
Swire Pac A	63.75	62.50	63.75	62
Tsim Sha Tsui	7.70	7.55	7.70	7.55
TV Broadcasts	31.50	30.20	31.40	30.10
Wharf Hdgs	29.75	29.20	29.55	29
Wheelock	16.10	15.90	16.05	15.80

Hang Seng index: 10764.10
Previous: 10536.50

Jakarta

	High	Low	Close	Prev.
Astra Intl	3475	3450	3475	3475
Barito Pacific	1875	1825	1875	1850
Gudang Garm	27150	27000	27100	26925
Indah Kiat	1650	1650	1650	1650
Indocement	8950	8925	8950	8950
Indofood	12200	12050	12050	12150
Indorayon	2100	2075	2075	2050
Indosat	9000	8925	8975	8925
Kalbe Farma	8750	8600	8650	8550
Sampoerna	28800	28200	28650	28200

Composite index: 562.35
Previous: 557.71

Johannesburg

	High	Low	Close	Prev.
AngloAm-Corp	259	257	257	259
AngloAm Gold	347	344	346	344
AngloAm Ind	195	195	195	191
Barlow	58	58	58	58
C.G. Smith	29	29	29	29
De Beers	122	121	122	121.75
Driefontein	48.75	48.25	48.50	49.75
Freegold	33.50	33	33.25	33.75
Fst Natl Bk	35.50	35.50	35.50	35.50
Gencor	14.90	14.75	14.75	14.90
GFSA	120	120	120	120
Iscor	3.75	3.60	3.68	3.84
Johnnies Ind	57.50	57.50	57.50	58
Kloof Gold	41.50	41.25	41.25	42.25
Liberty Life	130	130	130	127
Nedcor	65.50	65.50	65.50	66
Rembrandt Gp	39.50	39.50	39.50	39.25
Richemont	58.75	58.75	58.75	58.75
Rust Platinum	70	70	70	70.50
SA Breweries	143	141.50	142.25	143
Sappi	56.50	55.50	55.50	57
Sasol	33.50	33.25	33.50	33.25
SBIC	173	173	173	169
Tiger Oats	69.25	67.50	69.25	67.50

All Market index: 6828.56
Previous: 6816.72

Kuala Lumpur

	High	Low	Close	Prev.
Mal Banking	22.70	21.40	22.70	22.10
Mal Intl Ship F	7.60	7.30	7.50	7.60
Public Bank F	5.75	5.65	5.75	5.75
Resorts World	14.30	13.90	14.20	14.10
Sime Darby	6.95	6.65	6.90	6.60
Telekom Mal	20.70	19.70	20.40	20
Tenaga	10.10	9.65	10.10	9.80
Utd Engineers	17.20	16.50	17.10	17

Composite index: 1056.49
Previous: 1038.86

London

	High	Low	Close	Prev.
Abbey Natl	6.64	6.56	6.59	6.59
Allied Domecq	5.41	5.27	5.30	5.37
Anglian Water	5.78	5.70	5.74	5.68
Argyll Group	3.52	3.48	3.50	3.49
Arjo Wiggins	1.86	1.83	1.85	1.84
Asda Group	1.13	1.10	1.11	1.12
Assoc Br Foods	3.82	3.73	3.78	3.71
BAA	4.96	4.85	4.90	4.93
Barclays	7.73	7.66	7.70	7.70
Bass	7.40	7.30	7.35	7.35
BAT Ind	5.82	5.73	5.78	5.78
Bank Scotland	3	2.95	2.98	2.97
BICC	2.89	2.80	2.84	2.87
Blue Circle	3.43	3.35	3.41	3.37
BOC Group	9.21	9.01	9.13	8.97
Boots	6.01	5.94	5.99	5.98
Bowater	3.67	3.61	3.64	3.64
BPB Ind	3.01	2.93	2.97	2.99
Brit Aerosp	8.92	8.67	8.73	8.65
Brit Airways	5.27	5	5.19	5.20
Brit Gas	2.57	2.51	2.53	2.54
Brit Petm	5.34	5.24	5.26	5.26
Brit Steel	1.67	1.64	1.65	1.65
Brit Telecom	3.89	3.62	3.76	3.81
BTR	3.39	3.32	3.35	3.36
Burmah Cast	9.87	9.78	9.83	9.80
Cable Wireless	4.63	4.53	4.57	4.57
Cadbury Schw	5.48	5.39	5.42	5.45
Caradon	2.15	2.08	2.11	2.12
Carlton Comm	10.48	10.29	10.36	10.43
Coats Viyella	1.99	1.93	1.98	1.95
Comml Union	6.24	6.14	6.17	6.20
Courtaulds	4.47	4.35	4.40	4.39
De La Rue	7.37	7.17	7.29	7.18
Eng China Cl	3.27	3.15	3.22	3.23
Enterprise Oil	3.95	3.83	3.93	3.91
Fam Colonial	1.65	1.63	1.63	1.63
Forte	3.82	3.71	3.75	3.81
Genl Accident	6.60	6.51	6.55	6.56
GEC	3.73	3.64	3.66	3.70
GKN	8.10	7.97	8.03	8.04
Glaxo	9.20	9.06	9.10	9.10
Granada Gp	6.95	6.87	6.93	6.94
Grand Met	4.57	4.48	4.52	4.55
GRE	2.74	2.65	2.66	2.72
Guinness	4.75	4.68	4.70	4.75
GUS	7.10	7	7.06	7.07
Hanson	2.07	2.05	2.06	2.06
Hillsdown Hdg	1.79	1.74	1.78	1.77
HSBC Hldgs	10.49	10.39	10.46	10.26
ICI	8.30	8.22	8.26	8.22
Inchcape	2.79	2.66	2.70	2.72
Kingfisher	5.48	5.32	5.39	5.44
Ladbroke	1.67	1.63	1.64	1.64
Land Sec	6.30	6.22	6.25	6.24
Laporte	6.68	6.52	6.59	6.66
Lasmo	1.74	1.69	1.72	1.72
Legal Genl Grp	7.03	6.94	6.98	7
Lloyds Abbey	4.87	4.63	4.83	4.67
Lloyds TSB Gp	3.48	3.38	3.43	3.40
London Elec	7	6.88	7	6.87
Lucas Ind	1.89	1.86	1.87	1.87
Marks Spencer	4.51	4.42	4.46	4.45
MEPC	4.01	3.97	3.99	3.97
Mercury Asset	8.69	8.46	8.56	8.50
Midlands Elec	3.45	3.40	3.42	3.38
Natl Power	4.44	4.39	4.40	4.43
NatWest	6.72	6.62	6.63	6.68
News Intl	3.12	3.08	N.A.	3.04
NthWst Water	5.97	5.88	5.94	5.90
Nthern Foods	2.01	1.93	1.95	1.93
P&O	4.90	4.81	4.87	4.81
Pearson	6.50	6.35	6.45	6.38
Pilkington	1.97	1.91	1.93	1.93
Powergen	5.21	5.15	5.19	5.20
Prudential	4.48	4.33	4.35	4.37
Rank Org	4.49	4.40	4.44	4.43
Reckitt Colm	7.17	7.10	7.17	7.08
Redland	3.61	3.57	3.56	3.56
Reed Intl	10.03	9.98	10.02	10
Rentokil	3.49	3.44	3.44	3.48
Reuters Hdgs	6.24	6.06	6.12	6.19
RMC Group	9.67	9.52	9.60	9.60
Rolls Royce	2.06	2	2.02	2.02
Royal Bk Scot	5.76	5.69	5.72	5.70
RTZ reg	8.99	8.85	8.92	8.90
Royal Insur	3.99	3.92	3.95	3.95
Sainsbury	4.19	4.14	4.18	4.17
Schroders	13.40	13.26	13.33	13.35
Scot Newcastle	6.17	6.12	6.14	6.14
Scot Power	3.87	3.80	3.87	3.85
Sears	1	0.97	0.97	0.98
Severn Trent	6.35	6.30	6.32	6.30
Shell Trsp reg	8.47	8.38	8.45	8.38
Siebe	7.68	7.60	7.66	7.58
Smith Nephew	1.87	1.84	1.85	1.85
Smith (WH)	4.14	4.05	4.10	4.14
SmithKline cl A	7.08	7	7.04	7.04
Smiths Ind	6.57	6.53	6.55	6.50
Sthern Elec	9.15	9.08	9.12	9.04
Stand Charter	6.20	5.91	6.18	5.89
Sun Alliance	3.79	3.67	3.75	3.77
Tate & Lyle	4.61	4.53	4.56	4.58
Tesco	3.12	3.06	3.07	3.07
Thames Water	5.45	5.35	5.41	5.37
Thorn EMI	16.53	16.35	16.40	16.45
3i Group	4.11	4.08	4.10	4.07
TI Group	4.86	4.75	4.82	4.85
Tomkins	2.80	2.73	2.79	2.74
Unilever	13.59	13.35	13.45	13.52
Utd Biscuits	2.58	2.53	2.55	2.53
Utd News	5.97	5.86	5.87	5.83
Vendome uts	5.52	5.48	5.50	5.51
Vodafone	2.27	2.21	2.24	2.23
Whitbread	6.91	6.85	6.88	6.89
Williams Hdgs	3.46	3.37	3.39	3.42
Wolseley	4.63	4.54	4.59	4.51
Yorkshire Elec	6.93	6.75	6.85	6.70
Zeneca	12.85	12.70	12.77	12.80

FT-SE 100 index: 3748.40
Previous: 3748.70

Madrid

	High	Low	Close	Prev.
Acerinox	12680	12300	12580	12380
ACESA	1340	1330	1335	1340
Argentaria	5250	5210	5240	5240
BBV	4530	4490	4520	4500
Banesto	851	834	849	835
Bankinter	12520	12400	12510	12420
Bco Centro Hisp	2495	2480	2490	2500
Bco Exterior	3280	3210	3280	3260
Bco Popular	23020	22830	22900	22950
Bco Santander	6100	6000	6010	6030
CEPSA	3220	3140	3220	3140
Corp Mapfre	6540	6400	6530	6340
Dragados	1715	1675	1690	1675
Endesa	7220	7150	7170	7230
FECSA	870	866	866	870
Fomento Const	10030	9710	9900	9770
Gas Natural	18400	18200	18370	18150
Hidroel Cantab	4210	4165	4165	4195
Iberdrola	1190	1175	1185	1185
Pryca	2550	2525	2525	2550
Repsol	4070	4040	4065	4065
Sevillana Elec	931	921	930	923
Tabacalera	4900	4810	4855	4830
Telefonica	1860	1840	1860	1850
Union Fenosa	709	702	704	708
Valenc Cement	1420	1405	1420	1430

Stock Exchange index: 330.54
Previous: 329.67

Manila

	High	Low	Close	Prev.
Ayala A	21.75	21.50	21.75	21.75
Ayala Land	32	31.50	32	31.50
Manila Elec A	164	160	163	160
Metro Bank	530	525	530	530
Petron	14.25	14	14.25	14
Phil Long Dist	1560	1545	1560	1540
San Miguel A	56	55	55.50	55.50
San Miguel B	94.50	93.50	94.50	93.50
SM Prime Hdg	8.20	8.10	8.20	8.30

PSE index: 2764.52
Previous: 2731.27

Mexico

	High	Low	Close	Prev.
Alfa A	104.00	102.40	103.80	102.40
Cemex B	32.75	30.40	31.85	30.45
Cifra C	9.94	9.60	9.82	9.50
Empresas ICA	96.90	94.80	96.90	94.80
Emp Moderna	32.25	31.00	31.90	31.00
Femsa	22.20	20.88	21.50	20.75
Gpo Carso A1	54.60	53.40	54.00	53.50
Televisa CPO	97.40	94.00	97.00	94.00
TelMex L	12.20	11.84	12.16	11.98
Tribasa CPO	34.00	32.30	34.00	32.50

Bolsa index: 3058.42
Previous: 2983.31

Milan

	High	Low	Close	Prev.
Alleanza Assic	15285	14860	15235	14665
Bca Comm Ital	3545	3465	3540	3460
Bca Naz Agricol	1098	1040	1090	1040
Bca Naz Lavoro	12100	11700	12100	11550
Bca di Roma	1630	1601	1625	1568
Bco Ambrosiano	4700	4500	4700	4450
Benetton	18995	18665	18900	18750
Credito Italiano	1970	1933	1961	1924
Enichem Aug.	3300	3300	3300	3350
Fiat	5480	5220	5470	5175
Fondiaria	7800	7585	7800	7325
Generali Assic	40000	39400	39950	39250
IFIL	4990	4750	4990	4695
Italcementi	10625	10260	10585	10390
Italgas	5080	4985	5055	4970
Mediobanca	11100	10665	11100	10650
Montedison	1023	966	1017	970
Olivetti	1083	1056	1060	1048
Pirelli	2185	2095	2175	2085
RAS	17630	17310	17590	17200
Rinascente	10350	9820	10205	9785
S Paolo Torino	9825	9550	9795	9570
SME	1705	1660	1685	1670
Standa	N.T.	N.T.	N.T.	22500
Stet	4770	4670	4750	4625
Telecom Italia	2725	2670	2710	2650
Toro Assic	21350	20650	21250	20600

MIB Telematico index: 9833.00
Previous: 9558.00

Montreal

	High	Low	Close	Prev.
Alco I	19½	19⅜	19½	19⅜
Bank Montreal	32¾	32⅜	32¾	32¾
Bce Mob Com	47	46½	47	47½

Oslo

	High	Low	Close	Prev.
Aker A	88	87.50	88	88
Bergesen Dy B	130.50	130	130	129.50
Christiania Bk	15.70	15.40	15.40	15.50
Den Norske Bk	17.80	17.50	17.60	17.60
Dt Norsk Luft	303.50	299	299	297
Dyno Indust	142	140	140	143
Elkem	71	68	69	70
Hafslund A	182.50	175	180.50	180.50
Kvaerner	218	210	213	217
Leif Hoegh	94	93	94	95
Norsk Hydro	275.50	272.50	274.50	273.50
Norske Skog A	179.50	174	174.50	179
Orkla	312	306	309	308
Rieber B	N.T.	N.T.	N.T.	128
Saga Petrm B	76.50	76	76	77
Schibsted	87	87	87	87
UniStorebr A	34.70	33.80	33.90	33.70

OBX index: 416.22
Previous: 416.33

Paris

	High	Low	Close	Prev.
Accor	664	642	661	654
AGF	158.50	154.40	158.50	157
Air Liquide	903	889	895	891
Alcatel Alsth	432.90	426.60	427.30	431.20
Axa	329.70	324.20	328	325
Bancaire	525	510	515	520
BNP	213	204.20	206.40	213.50
Bouygues	517	501	517	500
Canal Plus	1028	988	1018	987
Carrefour	3288	3251	3269	3260
CCF	251.90	245	246	249.10
CarnaudMB	224.50	224.20	224.30	224.10
Credit Local cl	416.30	407.70	411	414.80
Credit Lyon PC	245	233	233.10	238
Danone	813	804	810	809
Elf-Aquitaine	380	375.30	376	378.20
Eridania BS	882	856	865	877
Euro Disney	11.45	11.10	11.20	11.60
Eurotunnel uts	6.45	6.15	6.15	6.35
Gen. Eaux	524	507	516	522
Havas	411.90	408.30	410.90	405
Lafarge Cop	313.30	309	311.50	309.70
Legrand	850	835	836	829
L'Oreal	1428	1396	1428	1414
LVMH	1143	1110	1143	1104
Lyon. Eaux	473.50	467.10	470	467.70
Michelin B	206.30	203	204.40	202.90
Navig Mixte	674	665	671	677
Paribas A	273	265.20	269.50	271.10
Pechiney Intl	86.75	84	85	86.75
Pernod Ricard	315	304	309.40	302.50
Peugeot Cit	715	704	712	703
Pinault-Print	1135	1110	1135	1118
Promodes	1333	1316	1325	1324
Renault	155.90	148.80	151.40	155.50
Rh-Poulenc A	106.50	105.50	106.50	106.40
Roussel-Uclaf	898	880	894	886
Sanofi	339	330.50	338	333.60
Schneider	195	189.40	195	189.40
Ste Generale	620	613	618	616
St Gobain	597	587	589	587
St Louis	1454	1426	1454	1456
Suez	193	186.40	187.60	192.60
Thomson CSF	116	113.50	115.80	115.20
Total B	353.80	345.10	346	350.60
UAP	115.90	113.50	115	115.20
Valeo	249.80	245.50	246.50	248.50

CAC-40 index: 1964.28
Previous: 1968.06

São Paulo

	High	Low	Close	Prev.
Bco Brasil Pfd	12.40	12.10	12.29	12.30
Banespa Pfd	5.30	5.20	5.30	5.36
Bradesco Pfd	9.98	9.60	9.75	9.80
Brahma Pfd	467.50	456	466	463
Cemig Pfd	24.49	24.10	24.30	24.10
CESP Pfd	27.30	27	27.30	27.10
Eletrobras B	299	294	298	295
Itaubanco Pfd	318.50	315.50	318	317.20
Light	327	320	325	320
Paranapan Pfd	12.97	12.57	12.97	12.99
Petrobras Pfd	100	97	100	99
Sid Nacional	23.50	23.10	23.20	23.30
Souza Cruz	5.95	5.94	5.94	5.94
Telebras Pfd	53.50	51.80	53.30	52.10
Telesp Pfd	171	163	171	165
Usiminas Pfd	1	0.95	0.98	0.97
CVRD Pfd	169.80	163.50	166.50	164.50

Bovespa index: 49090.38
Previous: 48338.58

Seoul

	High	Low	Close	Prev.
Daewoo Heavy	8100	8000	8000	8180
Hyundai Eng	35900	35300	35900	35700
Hyundai Motor	32600	32300	32400	32400
Korea El Pwr	28500	28200	28200	28400
Korea Mob Tel	585000	570000	578000	576000
LG Electronics	24500	24100	24200	24300
Pohang Iron St	52400	51500	51900	51900
Samsung Elec	130500	128000	129000	129500
Samsung Hvy	19800	18600	18900	18800
Yukong	23200	22800	23000	23200

Composite index: 848.87
Previous: 849.14

Singapore

	High	Low	Close	Prev.
Cerebos Pac	11.40	11.20	11.40	11.30
City Devlts	11.50	11	11.20	11.10
Cycle Carriage	16.50	15.70	16.20	15.80
Dairy Farm Intl*	1.02	1	1	1
DBS	10.50	10.40	10.50	10.40
DBS Land	5.30	5	5.20	5.15
Fraser & Neave	19.40	19	19.30	18.90
HK Land*	2.10	2.01	2.10	1.99
Hong Leong Fin	3.90	3.90	3.90	3.96
Jard Matheson*	7.85	7.70	7.75	7.70
Jard Strategic*	3.28	3.22	3.28	3.18
Keppel	13	12.60	12.70	12.70
Natsteel	2.97	2.91	2.96	2.97
Neptune Orient	1.65	1.63	1.64	1.62
OCBC foreign	19	18.60	18.70	18.70
O'Sea Union Bk	7.05	7	7	6.95
Sembawang	8.60	8.55	8.55	8.55
Sing Airlines F	14.20	13.80	13.90	13.80
Sing Petm	1.76	1.75	1.76	1.75
Sing Press F	25.70	25.40	25.40	25.40
ST Auto F	N.T.	N.T.	N.T.	2.92
ST Ship	2.77	2.75	2.76	2.76
Sing Telecomm	3.36	3.26	3.34	3.32
Straits Steam	4.80	4.58	4.66	4.56
Utd Industrial	1.50	1.45	1.49	1.45
Utd O'Sea Bk F	14.90	14.60	14.80	14.60
Wing Tai Hdgs	3.20	3.12	3.20	3.10

*: In U.S. dollars.
Straits Times index: 2403.18
Previous: 2394.27

Stockholm

	High	Low	Close	Prev.
AGA BF	94	92.50	93	93.50
Asea AF	675	667	669	664
AssiDoman F	137	136	136	135.50
Astra AF	257	253.50	255	254.50
Atlas Copco AF	98.50	96	98	97.50
Avesta F	56	55	55.50	55.50
Electrolux BF	291	287	290.50	290
Ericsson BF	133.50	129	129	128
Gambro BF	152.50	152.50	152.50	152.50
Hennes BF	386	381	385	388.50
Incentive AF	302	301	302	304
Investor BF	212.50	209.50	209.50	212
Kinnevik BF	200	197	197	198
MoDo BF	302	295	297	297
Sandvik BF	115.50	113.50	115	114
SCA BF	99	96	99	96
S-E Banken AF	56	54.50	55	55.50
Skandia Fors F	185.50	183	184.50	183.50
Skanska BF	223	219	221.50	221.50
SKF BF	126	124	125.50	126
SSAB BF	68	67	68	67
Stora AF	77.50	73	75.50	73.50
Sv Handles AF	134.50	133.50	134	133.50
Sydkraft AF	137	137	137	137
Trelleborg BF	73	70.50	71	72
Volvo BF	133	129.50	130.50	132.50

SX 16 index: 1816.71
Previous: 1811.28

Sydney

	High	Low	Close	Prev.
Amcor	9.90	9.75	9.84	9.80
ANZ Bking	6.62	6.50	6.56	6.56
BHP	18.80	18.50	18.59	18.65
Boral	3.42	3.38	3.40	3.38
Brambles Ind.	15.80	15.58	15.60	15.75
Burns Philip	2.97	2.90	2.91	2.90
CBA	11.51	11.37	11.40	11.45
CC Amatil	11.95	11.86	11.90	11.90
Coles Myer	4.36	4.26	4.29	4.30
Comalco	6.60	6.45	6.60	6.60
CRA Ltd	19.40	19	19.10	19.27
CSR	4.59	4.47	4.50	4.55
Fosters Brew	2.30	2.29	2.29	2.29
GIO Australia	3.30	3.25	3.26	3.30
Goodman Fld	1.32	1.30	1.30	1.31
ICI Australia	10.50	10.35	10.50	10.35
John Fairfax	2.90	2.88	2.90	2.87
Lend Lease	20.30	20.10	20.20	20
Mayne Nickless	5.85	5.78	5.80	5.81
MIM Hdgs	1.75	1.72	1.72	1.75
Nat Aust Bank	12.66	12.51	12.53	12.58
News Corp	7.39	7.29	7.33	7.35
North Ltd	3.66	3.53	3.56	3.66
Pacific Dunlop	3.28	3.25	3.27	3.26
Pioneer Intl	3.57	3.53	3.57	3.50
Placer Pacific	3.13	3.05	3.08	3.17
Santos	4.02	3.97	3.98	4.01
Southcorp	3.30	3.28	3.28	3.30
Wesfarmers	8.40	8.35	8.40	8.25
Wstrn Mining	8.15	8.03	8.06	7.96
Westfield Trt	2.48	2.47	2.48	2.48
Westpac Bking	6.22	6.18	6.20	6.18
Woodside Pet	7.04	6.90	6.90	6.99
Woolworths	3.41	3.36	3.36	3.40

All Ordinaries index: 2247.10
Previous: 2250.40

Taipei

	High	Low	Close	Prev.
Asia Cement	43.40	42.50	42.80	42.80
Cathay Life Ins	124	122	122	122.50
Chang Hwa Bk	107	99.50	100	100.50
China Steel	21.10	20.80	20.80	20.90
China Trust	42.80	42.20	42.30	42.40
Evergreen	45.40	44.50	44.50	44.30
Far East Text	25.10	24.70	24.90	24.70
First Bank	103.50	101.50	102	102.50
Formosa CF	23.20	23	23.20	23
Hua Nan Bk	86.50	85	85	86
Hualon Teijran	19.40	18.80	18.90	19.10
ICBC	75.50	74	74.50	75
President Ent	33	32.20	32.20	32.70
Taiwan Cemt	36.70	36.20	36.20	36.10
Tatung	50.50	49.80	49.80	49.40

Stock Market index: 5816.76
Previous: 5828.30

Tokyo

	High	Low	Close	Prev.
Ajinomoto	1160	1130	1160	1150
All Nippon Air	1100	1080	1100	1100
Asahi Bank	1290	1250	1280	1240
Asahi Chem	793	780	789	780
Asahi Glass	1190	1170	1190	1190
Bank of Tokyo	1770	1730	1740	1770
Bk Yokohama	851	839	848	846
Bridgestone	1620	1590	1610	1620
Canon	2050	2000	2050	2040
Chiba Bank	910	905	908	910
Chubu Elec	2480	2450	2470	2450
Chugoku Elec	2470	2380	2390	2400
Daiei	1280	1260	1280	1260
Daiichi Kang	1960	1910	1960	1910
Daiwa Bank	788	768	780	785
Daiwa House	1710	1690	1700	1710
Daiwa Sec	1560	1540	1550	1560
Fanuc	4590	4500	4580	4570
Fuji Bank	2320	2260	2320	2310
Fuji Photo	3100	3070	3100	3100
Fujitsu	1160	1140	1150	1140
Hitachi	1040	1020	1020	1030
Honda Motor	2250	2210	2250	2240
IBJ	2900	2860	2880	2900
IHI	444	434	443	435
Itochu	723	709	710	717
Ito-Yokado	6370	6170	6180	6400
JAL	705	693	705	695
Jusco	2760	2720	2730	2750
Kajima	1090	1060	1080	1100
Kansai Elec	2510	2470	2510	2470
Kao	1360	1320	1350	1320
Kawa Steel	357	353	354	358
KDD	8550	8400	8550	8510
Kinki Nipp Ry	794	781	794	793
Kirin Brewery	1230	1220	1220	1220
Kobe Steel	323	313	320	326
Komatsu	864	850	863	855
Kubota	665	656	662	665
Kyocera	7640	7460	7640	7470
Kyushu Elec	2470	2440	2440	2470
LTCB	797	780	781	800
Marubeni	565	545	565	551
Marui	2140	2080	2110	2140
Matsu Elec Ind	1750	1710	1720	1730
Matsu Elec Wk	1160	1140	1150	1160
Mitsubishi	1280	1250	1280	1280
Mitsubishi Bk	2370	2330	2330	2370
Mitsubishi Ch	536	518	526	526
Mitsubishi El	768	758	758	768
Mitsubishi Est	1320	1290	1310	1320
Mitsubishi Hvy	830	821	827	830
Mitsubishi Mat	858	847	849	858
Mitsubishi Tr	1780	1730	1780	1760
Mitsui	936	922	929	936
Mitsui Fudosn	1360	1320	1330	1370
Mitsui Trust	1120	1080	1100	1110
Murata Mfg	3590	3590	3590	3590
NEC	1310	1280	1300	1290
New Oji Paper	957	950	957	954
Nikko Sec	1310	1270	1290	1290
Nintendo	7960	7930	7960	8000
Nipp Credit Bk	415	405	412	411
Nipp Express	1010	994	1010	998
Nippon Oil	602	596	596	596
Nippon Paper	719	713	716	718
Nippon Steel	357	350	354	357
Nippon Yusen	609	603	608	609
Nippondenso	2090	2040	2060	2070
Nissan Motor	844	830	839	840
NKK	289	282	289	286
Nomura Sec	2290	2240	2290	2270
NTT	8240a	8120a	8180a	8120a
Obayashi	859	837	859	850
Odakyu El Ry	705	698	705	704
Ono Pharm	3860	3810	3850	3850
Osaka Gas	379	375	378	379
Ricoh	1160	1140	1150	1160
Sakura Bk	1220	1180	1200	1200
Sankyo	2530	2480	2530	2510
Sanwa Bank	2060	2000	2010	2100
Sanyo Elec	630	620	629	620
Secom	6890	6740	6800	6780
Seibu Rwy	4890	4850	4860	4890
Sekisui House	1360	1340	1360	1350
Seven-Eleven	7200	7100	7200	7150
Sharp	1690	1650	1680	1680
Shimizu	1080	1050	1060	1100
Shin-etsu Ch	2140	2110	2130	2150
Shizuoka Bk	1300	1260	1270	1310
Sony	6520	6410	6510	6500
Sumitomo	1090	1060	1080	1090
Sumitomo Bk	2140	2070	2120	2180
Sumit Chem	530	520	525	531
Sumitomo Elec	1320	1300	1310	1330
Sumit Metal	328	320	327	324
Sumit Trust	1450	1410	1440	1460
Taisei	730	716	728	732
Taisho Pharm	2080	2040	2070	2060
Takeda Chem	1660	1640	1660	1660
TDK	5400	5250	5320	5300
Tohoku El Pwr	2490	2470	2480	2490
Tokai Bank	1370	1320	1330	1320
Tokio Marine	1330	1310	1320	1340
Tokyo El Pwr	2740	2720	2740	2730
Tokyo Gas	372	368	370	370
Tokyu	731	725	730	731
Tonen	1560	1530	1530	1550
Toppan Print	1400	1380	1380	1400
Toray Ind	685	680	680	682
Toshiba	833	816	828	820
Toyo Seikan	3220	3150	3220	3220
Toyo Trust	975	945	954	984
Toyota Motor	2270	2240	2270	2270
Yamaichi Sec	820	806	816	809
Yamanouchi	2310	2290	2300	2310
Yasuda Fire	760	752	756	767
Yasuda Trust	563	551	563	555

a: x 100.
Nikkei 225 index: 20345.74
Previous: 20270.94

Toronto

	High	Low	Close	Prev.
Abitibi Price	20⅜	20¼	20½	20⅛
Air Canada	4.80	4.70	4¾	4¾
Alberta Energy	23¼	22⅞	23	23
Alcan Alum	42	40¾	41¾	40¾
Avenor A	23½	23	23⅛	23⅛
Bk Nova Scotia	32¼	31⅞	32	32¼
Barrick Gold	39¼	38¾	39	38¾
BCE	48⅝	48¼	48⅝	48¼
BC Telecomm	25½	25¼	25⅜	25⅜
Bombardier B	19⅛	18⅞	19	18⅞
Brascan A	22⅝	22⅛	22⅛	22⅛
Cameco	56⅝	55⅝	56	55⅝
CIBC	43	42⅜	42⅞	43
Cdn Airlines	2.90	2.70	2.70	2.85
Cdn Natl Res	20⅜	20⅛	20⅜	20⅛
Cdn Occid Pet	45	44⅜	44⅜	44⅝
Cdn Pacific	25⅞	25	25⅞	25⅛
Cominco	26⅝	26½	26⅝	26⅝
Consumers Gas	19	18⅞	18⅞	18¾
Dofasco	19	18⅝	18⅝	18⅝
Domtar Inc B	10	9⅝	10	9¾
Du Pont Cda A	24½	24	24½	24¼
Echo Bay Min	16½	16⅛	16⅛	15⅞
Empire Co. A	13	12⅝	12⅝	13
Falconbridge	29⅝	29⅛	29¼	29⅛
Fletcher Chall A	19⅝	19⅛	19¼	19½
Franco Nevada	81	80⅝	81	80½
Guardian Cap A	10	10	10	10
Hemlo Gold	16⅛	15⅞	16	15¾
Horsham	19	19	19	19
Imperial Oil	48⅝	48⅛	48¼	48⅛
Inco	45⅝	44⅝	44⅞	44⅝
IPL Energy	33⅛	32¾	33⅛	32⅞
Laidlaw A	13⅝	13⅜	13⅝	13⅜
Laidlaw B	14	13⅝	13⅝	13⅝
Loewen Group	33⅜	33	33⅜	33
Ldn Insur Gp	27½	27	27	27½
Macmill Bldl	17⅛	16⅞	17⅛	17
Magna Intl A	57	55⅝	55⅝	56½
Maple Leaf Fds	6½	6⅜	6½	6⅜
Moore	24	23⅝	23⅞	23⅝
Newbridge Net	67⅛	65	66¼	65½
Noranda Inc	26¼	25⅝	25⅞	25⅞
Noranda Forest	8⅝	8⅜	8⅝	8½
Norcen Energy	20	19½	19¾	19⅝
Nthern Telecom	60⅛	59⅝	59⅝	60
Nova	11⅜	11¼	11⅜	11½
Onex	14⅜	14½	14⅜	14⅜
Placer Dome	37⅜	36⅝	36⅞	36⅝
Potash Sask	89¼	87¼	88¼	86½
Provigo	8½	8	8⅛	8⅛
Quebecor Print	23⅝	23½	23⅝	23⅝
Renaissance	33¾	33⅛	33⅛	33⅜
Rio Algom	24	23⅝	23¾	24
Seagram Co	49⅝	49¼	49¼	49½
Stone Consold	18	17⅝	17⅝	17⅜
Talisman Eny	29⅝	29	29⅝	29⅜
Teleglobe	19⅝	19½	19½	19⅛
Telus	16⅛	15⅞	16⅛	15⅞
Thomson	19⅝	18⅝	19⅛	19
TorDom Bank	25½	25⅛	25⅜	25⅜
Transalta	15¼	14⅞	15⅛	15
TransCda Pipe	19⅛	18⅞	19⅛	18⅞
Utd Dominion	28⅝	28⅜	28½	28⅝
Westburn	8⅞	8⅞	8⅞	8⅞
Westcoast Eny	21¼	20⅞	21⅛	20⅞
Weston	47⅜	47⅛	47⅜	47½

TSE Industrials index: 4821.10
Previous: 4798.12

Vienna

	High	Low	Close	Prev.
Aust Airlines	1909	1909	1909	1905
Brau-Un Goess	500	481	496	485
Bund Vers Pfd	443	443	443	444
Creditanst PC	1630	1610	1630	1609
EA-Generali	3510	3330	3450	3305
EVN	1308	1285	1305	1278
Interunfall	1600	1600	1600	1550
Lenzing	905	896	905	896
Leykam	370	356	370	357
Mayr-Melnhof	531	519	529	517
OEMV	956	925	952	918
Oest Brau-Bet	480	468	475	466
Oest Elektriz	645	640	643	641
VA Tech	1392	1359	1375	1356
Wienerberger	2400	2233	2400	2229

ATX index: 1052.12
Previous: 1022.82

Wellington

	High	Low	Close	Prev.
Air N Zeald B	3.65	3.58	3.58	3.63
Brierly Invt	1.25	1.24	1.25	1.24
Carter Holt ord	3.00	2.95	2.96	2.98
Fernz	4.12	4.08	4.12	4.06
Fisher Paykel	4.72	4.70	4.72	4.70
Fletcher Chall	3.36	3.31	3.34	3.29
Fletcher For	2.12	2.10	2.11	2.11
Goodman Fder	1.48	1.48	1.48	1.48
Indep News	4.98	4.96	4.98	4.97
Lion Nathan	3.50	3.47	3.47	3.52
Nat Gas note	1.96	1.96	1.96	1.96
NZ Refining	23.50	23.50	23.50	23.50
Telecom NZ	6.32	6.22	6.30	6.24
Trust Bk NZ	2.04	2.02	2.04	2.02
Wilson Horton	9.15	9.15	9.15	9.10

NZSE-40 index: 2078.74
Previous: 2068.60

Zurich

	High	Low	Close	Prev.
Adia B	196	186	192	185
Alusuisse R	925	915	915	916
Ares-Serono B	812	810	810	810
Baer Hdg B	1260	1250	1260	1260
Baloise Hdg R	2380	2340	2360	2400
BBC B	1414	1404	1406	1408
Bk Vision	1580	1565	1570	1579
Bobst B	1925	1920	1925	1910
Ciba Geigy R	1000	990	990	996
CS Holdings R	116.25	115	115	115.50
Elektrowatt B	419	412	415	416
Fischer B	1525	1500	1505	1535
Hilti PC	904	900	902	902
Holderbank B	851	844	851	842
Landis Gyr R	945	945	945	945
Merkur Hdg R	265	257	262	255
Nestle R	1267	1250	1250	1258
Oerlikon R	106	104.50	106	103.25
Pargesa Hld B	1520	1510	1520	1510
PharmVision B	6140	6090	6090	6100
Pirelli B	130	130	130	129
Roche Hdg PC	8970	8850	8950	8930
Sandoz R	1055	1040	1040	1032
SBC B	449	445	448	446
Schindler B	1250	1210	1245	1195
SGS B	2375	2325	2330	2400
SMH B	710	698	698	705
Sulzer R	775	758	770	750
Swiss Reins R	1217	1198	1201	1213
Swissair R	1009	970	1000	955
UBS B	1333	1311	1330	1325
Winterthur B	798	793	795	797
Zurich Assur R	327	317	317	327

SPI index: 2123.28
Previous: 2123.02

Lyonnais Must Keep Promise

Bloomberg Business News

PARIS — France and the European Commission said Friday that Crédit Lyonnais SA must stick to the conditions approved for its bailout by the French government.

Jean Peyrelevade, the bank's chairman, told the board of directors Thursday that certain commitments made on the bank's behalf by Alain Madelin, the former finance minister, "could prove difficult to meet."

The government agreed in July to sell 35 percent of the non-French assets of Crédit Lyonnais in return for the commission's approval of a rescue plan worth about 135 billion French francs ($28.87 billion).

"France has made a number of commitments," an official from the Finance Ministry said. "It will stand by those commitments, as laid down in the letter from Alain Madelin to the European Commission."

"The letter from Alain Madelin was a substantial condition for the European Commission to accept the plan," the official said.

In Brussels, a spokesman for the EU competition commissioner said: "Crédit Lyonnais has got to stick to the agreement. It must carry out what its main shareholder, the government, tells it to do."

Earlier, a spokesman for the bank said Mr. Peyrelevade had no knowledge of certain pledges made on the bank's behalf by Mr. Madelin in a letter he wrote to the commission in July, when he was finance minister.

The Finance Ministry confirmed that Mr. Peyrelevade had, "until very recently," no knowledge of the letter from Mr. Madelin.

In the letter, Mr. Madelin promised the commission that the French government would sell 50 percent of its European bank assets outside France, as part of the broader objective of reducing non-French assets worldwide by 35 percent.

This reference to the European bank assets was not contained in the published text of the rescue accord.

Mr. Peyrelevade told board members that the European bank commitments "would have a negative impact on the financial situation of Crédit Lyonnais."

The commission said there could be no renegotiation of the amount of assets Crédit Lyonnais must sell, although the 1998 deadline for the divestment could be extended under certain circumstances.

Air Liberté Looks Forward to Egalité

French Carrier Wants to Be a Major Player After Deregulation

By Max Berley
Special to the Herald Tribune

PARIS — When Lotfi Belhassine was coming up with names for the first class service of his new airline, he wanted something that would both pay homage to his favorite music and convey the improvisational nature of the increasingly deregulated European air market.

He said he named the service "Jazz Club" — "because air transport in France is pure be-bop. You have to know how to improvise." His fledgling Air Liberté carrier has in the past year emerged as a competitor to the state-owned domestic airline Air Inter Europe.

With three domestic routes and three overseas routes, and plans to open 23 new routes in France before July, Air Liberté is poised to become a major player in the newly deregulated French airline market, which the government opened up to competition on Jan. 1.

The opening of the French skies is a prelude to the total deregulation of the European air market by April 1997.

This month's deregulation makes official the end of Air Inter's monopoly on domestic routes. That monopoly began crumbling in 1991, when private airlines were first allowed to operate a limited number of air links within France.

Air Liberté, which began as a charter company in 1987 and started operating a regular service between Paris and Montreal in 1991, has run six domestic routes since 1995. Mr. Belhassine says his goal is to win 20 percent of the French market by the end of 1996.

Along with Air Littoral, AOM, and TAT, Air Liberté is responsible for a sharp decline in profitability at Air Inter. The airline, which changed its name this year to Air Inter Europe and will be folded into Air France Europe in 1997, went from a profit of 21 million francs ($4.2 million) in 1994 to an estimated loss of between 400 million and 500 million francs in 1995.

Air Liberté, meanwhile, registered a profit of 12.4 million francs in 1995, on sales of 1.78 billion francs, after posting a loss of 20 million francs in 1994. On average, Air Liberté's prices are 25 percent lower than those of Air Inter, an airline analyst said.

Born in Tunisia while it was still a French protectorate, Mr. Belhassine, now 48, stands out as one of France's most prominent *Beurs*, as the French of North African origin are known.

Air Liberté has made headlines numerous times with such high-profile stunts as offering a free shuttle service to the airport during the strikes that paralyzed France in December, and requiring pilots to work harder than those of other airlines by flying 900 hours per year — the legal maximum.

Mr. Belhassine's intent, he said, was to bring a new form of capitalism to France's hidebound institutions.

"Liberty is new to air transport as well as to many other sectors," he said. "We are a country that has placed liberty in its motto so as to be able to avoid putting it into deeds."

He said he has run into a playing field that is still far from level.

"I have two competitors: Air Taxpayer and Air Crédit Lyonnais, and they have endlessly deep pockets," he said, referring to Air France, which in the past few years has benefited from a 20 billion franc government bailout, and AOM, which is owned by the state-owned bank Crédit Lyonnais and broke even for the first time in 1995.

He claims that Air Inter attempted to prevent him from fulfilling his expansion plan for 1996 by buying up all the time slots at the overburdened Orly airport before deregulation came into effect Jan. 1.

He has appealed to the French government to force Air Inter to yield some of the slots to Air Liberté. For now, he has secured slots at Orly through an agreement concluded in December with the private French airline Euralair. The deal will allow Air Liberté to begin service to three more cities in the first quarter of this year. But the remainder of Mr. Belhassine's expansion plan for 1996 remains uncertain.

A spokesman for Air Inter Europe denied that the company was acting to block Air Liberté, adding that the slots at Orly were allocated by an independent association.

Mr. Belhassine also faces trouble from another competitor. He has made an offer to acquire AOM, but is skeptical that the airline will be sold on the open market. AOM is on the auction block as part of a government plan to rescue the unprofitable Crédit Lyonnais.

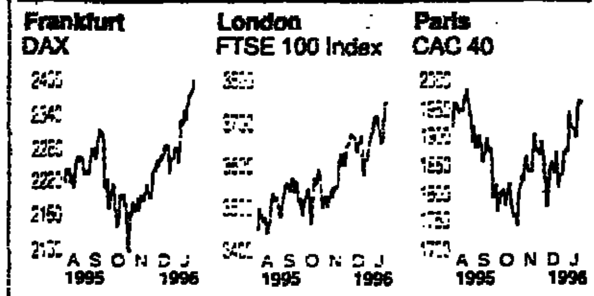
He said that certain "charitable souls in the government" wished to give AOM to Air France in 1997, when the unprofitable flagship airline will face competition in France from European giants such as British Airways PLC, KLM Royal Dutch Airlines or Lufthansa AG.

But a spokeswoman for Air France said the airline had no plans to acquire AOM.

In the meantime, doubts have been expressed about the financing behind Mr. Belhassine's company, of which he only owns 8 percent. Press reports have said that Air Liberté has come close to bankruptcy on several occasions.

Mr. Belhassine said he was fully backed in the company's expansion as well as in the planned acquisition of AOM by his major shareholders, which include the U.S. airplane leasing company International Finance Leasing Corp., Club Méditerranée SA, Banque Indosuez SA, and Groupe Rivaud.

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	EOE	508.58	504.93	+0.72
Brussels	Stock Exchange	8,910.87	8,830.99	+0.90
Frankfurt	DAX	2,398.76	2,380.90	+0.75
Copenhagen	Stock Market	387.73	386.68	+0.27
Helsinki	HEX General	1,710.55	1,708.74	+0.11
Oslo	OBX	416.22	416.33	-0.03
London	FTSE 100	3,748.20	3,748.70	-0.01
Madrid	Stock Exchange	330.54	329.67	+0.26
Milan	MIBTEL	9,833.00	9,558.00	+2.88
Paris	CAC 40	1,964.28	1,960.06	+0.22
Stockholm	SX 16	1,816.71	1,811.28	+0.30
Vienna	ATX	1,052.12	1,022.82	+2.86
Zurich	SPI	2,123.28	2,123.02	+0.01

Source: Telekurs International Herald Tribune

Very briefly:

- **Philips Electronics NV** is offering to buy the 47 percent of **Radiotechnique SA** it does not already own for 600 million French francs ($119.5 million).
- **Italy's** stock market regulator is investigating possible insider trading in shares of **Banco di Napoli SpA** in March, just before the bank announced a 995 billion lire ($631 million) loss for 1994.
- **Skandia Insurance Co.** of Sweden said it would sell four properties for 840 million kronor ($125.6 million) to **AP-fonden**, a Swedish public pension fund.
- **Forte PLC** will sell its Meridien Dallas hotel for £17 million ($25.8 million) to an unnamed company in North Carolina.

Names, names, names . . .

- **Steven Ward** has been named chief executive of European operations at Morgan Stanley Group Inc. in London.
- **John Campbell** has succeeded Alan Lovell as finance director of Costain Group PLC in London. *Bloomberg, AFX*

German Growth Should Resume After 'Pause'

Bloomberg Business News

BONN — Germany's economy probably shrank in the fourth quarter of 1995 but growth should resume this year after this "pause," the Economics Ministry said Friday.

"After pan-German gross domestic product no longer expanded in the third quarter of last year, it should rather have decreased somewhat in the final quarter," the ministry said in a summary of its January economic report.

Most economists agree this is just a "pause in growth," it added, "which does not mean a premature end to the economic expansion seen since spring of 1993."

The signs for 1996 are that growth will resume "in the course of the year," the ministry said. It predicted a "renewed worsening" of unemployment in the short term.

The report supports the Federal Labor Office's forecast that unemployment would exceed 4 million before long, after hitting a seasonally adjusted 3.79 million, up 68,000, in December.

It follows the recent announcement by the Federal Statistics Office that the economy expanded 1.9 percent last year, after growing 2.9 percent in 1994. At the time, the statistics office said GDP had not expanded in the fourth quarter.

Meanwhile, the statistics office said Friday that German wholesale prices rose 0.2 percent in December from November but were down 0.6 percent from a year earlier, meeting expectations of slower inflation while dulling optimism that German interest rates will be cut again soon.

Economists said the monthly rise, led by prices for fresh vegetable and fish, reflected no inflation danger in the pipeline.

The prospects for steady rates drove down German bond prices and sent the yield on the benchmark 10-year Bund up to 5.83 percent from 5.8 percent Thursday.

■ Banker Sees EMU Delay

A top Bundesbank official on Friday raised the possibility that European Union leaders might stop the procedural clock to enable countries to qualify for a single currency, Agence France-Presse reported.

Franz-Christoph Zeitler, president of the central bank in Bavaria and a member of the Bundesbank's central council, told the newspaper Nürnberger Nachrichten that a delay of the 1999 deadline for the launch of a single European currency would not mean the end of economic and monetary union.

"If the criteria for economic convergence, set by the treaty of Maastricht, are not met by big members of the EU, this will result in a delay of monetary union but not in failure of the project," he said.

His comments come three days after Jacques Santer, president of the European Commission, said that failure to implement a single currency by the deadline could spell the end of the European Union.

BZ's Ebner Is Raising UBS Stake

Bloomberg Business News

ZURICH — Martin Ebner, the financier who controls the largest single stake in Union Bank of Switzerland, said Friday he was raising his stake in the bank and was considering proposing a candidate to oppose Robert Studer for the UBS chairmanship.

Mr. Ebner, the chairman of BZ Gruppe Holding, which controls about 20 percent of UBS's registered shares, confirmed that his investment funds had been raising their stakes in UBS since April. But he called speculation that he wanted to take control of Switzerland's largest bank "exaggerated."

UBS's bearer shares closed at 1,333 Swiss francs ($1,123) on Friday, up 8 francs.

AMEX

Friday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	5118.26	5194.87	5111.70	5184.68	+68.33
Trans	1882.33	1907.02	1879.58	1897.88	+15.17
Util	227.85	230.29	227.85	229.46	+0.62
Comp	1667.08	1690.80	1667.08	1686.51	+15.80

Standard & Poors

	High	Low	Close	Chg.
Industrials	717.39	709.41	716.06	+5.46
Transp.	470.46	464.38	469.01	+4.07
Utilities	203.80	201.23	201.41	-2.39
Finance	61.80	61.20	61.78	+0.54
SP 500	612.92	608.76	611.83	+3.59
SP 100	585.96	579.45	584.31	+3.66

NYSE

	High	Low	Last	Chg.
Composite	328.23	325.45	327.86	+1.71
Industrials	410.56	406.58	409.97	+2.67
Transp.	297.74	294.17	296.93	+2.53
Utility	255.00	253.10	253.52	-1.48
Finance	275.32	272.69	275.30	+1.95

Nasdaq

	High	Low	Last	Chg.
Composite	1019.17	1009.19	1017.73	+10.49
Industrials	927.97	922.63	926.73	+5.96
Banks	1089.54	1085.12	1085.38	-2.90
Insurance	1280.30	1274.13	1275.47	-3.59
Finance	1286.19	1283.22	1286.07	+4.71
Transp.	786.77	779.91	780.77	-2.74

AMEX

High	Low	Last	Chg.
531.39	528.88	530.62	+1.57

Dow Jones Bond

	Close	Chg.
20 Bonds	105.78	+0.01
10 Utilities	102.35	Unch.
10 Industrials	109.20	+0.01

Most Actives

NYSE	Vol.	High	Low	Last	Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Nasdaq	Vol.	High	Low	Last	Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AMEX	Vol.	High	Low	Last	Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Trading Activity

NYSE

	Close	Prev.
Advanced	1335	1382
Declined	1054	991
Unchanged	721	730
Total issues	3110	3103
New Highs	133	149
New Lows	17	30

Nasdaq

	Noon	Prev. Close
Advanced	1577	1953
Declined	1400	1631
Unchanged	2330	1727
Total issues	5307	5311
New Highs	63	129
New Lows	23	77

AMEX

	Close	Prev.
Advanced	289	304
Declined	259	250
Unchanged	222	211
Total issues	770	765
New Highs	26	27
New Lows	14	15

Market Sales

	Today Close	Prev. cons.
NYSE	497.73	537.38
Amex	20.06	27.67
Nasdaq	534.64	536.76

in millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
EXEL Ltd	-	.40	2-2	2-16
Enerplus ResourFd	g	.1216	1-31	2-10
Fst Alliance	-	.50	1-27	1-31
Mesa Royalty	-	.2976	1-31	4-30
STOCK SPLIT				
Brooktrout Tech, 3 for 2 split.				
George Mason, 3 for 2 split.				
Guaranty Fincl, 2 for 1 split.				
USA Detergent, 3 for 2 split.				
REVERSE STOCK SPLIT				
Consol Oasis Resour, (1 share of Oxford Resources Inc for each 10 Oasis shares held).				
INCREASED				
Bancorp Conn	Q	.205	2-1	2-15
Capitol Savings	Q	.09	1-29	2-12
DeanWitr Discover	Q	.22	2-1	4-1
El Paso Natur Gas	Q	.3475	3-6	4-1
Fst Northern Cap	Q	.15	2-2	2-15
NWC Resources	Q	.36	2-9	3-1
KeyCorp	Q	.38	2-27	3-15
Liberty Bncp Okla	Q	.25	2-2	2-16
Mississippi Chem	Q	.10	1-31	2-21
Miss Valley	Q	.11	3-15	3-31
Research Inc	Q	.07	3-1	4-1
WesterFed Fin	Q	.08	2-7	2-21
SPECIAL				
Southern Bancorp	-	.175	2-23	3-15
INITIAL				
Affil Community	-	.12	1-31	2-16
REGULAR				
AZ PubSvc adjpf Q	-	1.50	2-1	3-1
Barclays Bk C	x	.7031	1-25	3-1
Barclays Bk D	x	.7188	1-25	3-1
BearStearn adjpfA	Q	.4873	3-29	4-15
Chilgener S.A.	x	.1475	1-25	-
Chittenden Corp	Q	.15	2-2	2-16
Citizens Banking	Q	.23	1-29	2-7
Comerica Inc	Q	.35	3-15	4-1
Comsat Corp	Q	.195	2-9	3-11
Conn Water	Q	.42	3-1	3-15
Eott Energy	Q	.475	1-31	2-14
Equitable Resrce	Q	.295	2-15	3-1
F&M Bancorp MD	Q	.20	1-26	2-1
Fst Am Corp TN	Q	.28	2-15	2-29
Hewlett Packard	Q	.20	3-20	4-10
Home Beneficial B	Q	.21	2-16	3-8
Ogden Corp	Q	.3125	3-14	4-4
PPG Industr	Q	.30	3-20	3-12
Pinnacle West	Q	.25	2-1	3-1
Riverside Ntl	Q	.12	2-1	2-15
Sasquatino Bncshrs	Q	.29	1-30	2-20
Todays Bncp	Q	.1375	2-1	2-10
Twin Disc	Q	.175	2-9	3-1
UMB Financial	Q	.20	3-14	4-1
Walden Bncp	Q	.14	2-1	2-15

x- approx. amount per ADR
a-annual; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Jan. 19, 1996

	High	Low	Close	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	3.61¼	3.57	3.60¾	+0.05¼	16,491
May 96	3.65½	3.61	3.65	+0.05¼	114,507
Jul 96	3.62	3.57½	3.61½	+0.04½	84,383
Sep 96	3.10¾	3.07½	3.10¾	+0.04½	23,637
Dec 96	2.95	2.91½	2.94½	+0.04½	51,424
Est. sales N.A. Thu's. sales 74,972					
Thu's open int 495,092 off 3484					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jan 96	238.00	234.00	237.90	-4.30	522
Mar 96	240.70	237.20	240.40	-2.90	51,272
May 96	241.70	238.50	241.60	-3.10	15,916
Jul 96	241.20	238.00	241.00	-3.30	15,295
Aug 96	238.00	235.50	238.00	-2.80	2,430
Sep 96	233.00	230.00	233.00	-3.50	1,895
Est. sales N.A. Thu's. sales 14,141					
Thu's open int 92,898 up 557					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Jan 96	23.98	23.55	23.65	-0.15	256
Mar 96	24.10	23.70	23.79	-0.23	44,672
May 96	24.50	24.08	24.19	-0.12	16,610
Jul 96	24.85	24.45	24.56	-0.14	12,980
Aug 96	24.90	24.65	24.71	-0.16	4,295
Sep 96	25.10	24.83	24.87	-0.16	1,220
Est. sales N.A. Thu's. sales 10,266					
Thu's open int 87,512 off 40					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Jan 96	7.37½	7.31	7.37¼	+0.05¼	1,312
Mar 96	7.46	7.38½	7.45¼	+0.05	94,424
May 96	7.51	7.43½	7.50	+0.04¾	28,383
Jul 96	7.52	7.44½	7.51½	+0.05¼	30,622
Aug 96	7.47	7.40½	7.46¼	+0.04¼	2,769
Est. sales N.A. Thu's. sales 38,796					
Thu's open int 194,904 up 817					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	4.88	4.83	4.87¼	+0.04½	53,290
May 96	4.61	4.57½	4.60½	+0.04	10,929
Jul 96	4.27	4.23¼	4.26	+0.03½	31,523
Sep 96	4.28	4.24½	4.27½	+0.03	6,176
Est. sales N.A. Thu's. sales 17,249					
Thu's open int 105,216 off 106					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Feb 96	65.60	65.10	65.17	-0.03	27,222
Apr 96	65.75	65.35	65.37		20,448
Jun 96	62.07	61.75	61.80		12,444
Aug 96	61.17	60.80	60.87	-0.13	5,369
Oct 96	62.32	62.02	62.07	-0.15	4,925
Dec 96	62.45	62.20	62.22	-0.15	2,838
Est. sales 9,486 Thu's. sales 12,422					
Thu's open int 73,582 up 1671					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Jan 96	59.95	59.55	59.87		1,566
Mar 96	58.45	57.85	58.12	-0.15	7,440
Apr 96	58.60	58.07	58.15	-0.22	2,992
May 96	58.65	58.25	58.30	-0.12	3,169
Aug 96	60.00	59.55	59.67	-0.13	1,254
Sep 96	59.90	59.45	59.70	-0.10	406
Est. sales 2,493 Thu's. sales 2,059					
Thu's open int 19,516 up 293					
HOGS (CMER) 40,000 lbs.- cents per lb.					
Feb 96	45.55	44.72	44.87	-0.55	9,800
Apr 96	44.60	43.92	44.07	-0.40	10,351
Jun 96	50.00	49.25	49.35	-0.52	6,455
Jul 96	49.20	48.45	48.57	-0.45	2,355
Aug 96	48.30	47.15	47.47	-0.43	3,483
Oct 96	44.90	44.00	44.17	-0.68	1,897
Est. sales 10,742 Thu's. sales 14,118					
Thu's open int 35,812 off 421					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 96	52.35	51.50	51.60	-0.40	4,301
Mar 96	52.70	51.95	51.97	-0.73	1,335
May 96	53.70	52.60	52.60	-0.62	959
Jul 96	54.60	53.90	54.15	-0.30	866
Aug 96	52.10	51.70	51.87	+0.02	194
Est. sales 1,409 Thu's. sales 2,058					
Thu's open int 7,295 up 118					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 96	1279	1260	1274	+11	34,667
May 96	1300	1283	1296	+11	22,282
Jul 96	1319	1307	1315	+7	8,875
Sep 96	1338	1329	1336	+7	9,341
Dec 96	1365	1357	1369	+7	8,583
Est. sales 6,898 Thu's. sales 6,575					
Thu's open int 90,890 up 498					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 96	107.25	103.60	104.65	-0.75	16,314
May 96	106.00	103.25	103.90	-0.55	6,564
Jul 96	105.25	103.00	103.35	-0.65	2,580
Sep 96	104.25	102.50	103.00	-0.50	1,535
Est. sales 8,356 Thu's. sales 10,839					
Thu's open int 28,073 off 488					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 96	11.50	11.25	11.49	+0.19	60,275
May 96	11.18	10.92	11.17	+0.22	29,100
Jul 96	10.18	10.10	10.14	-0.01	19,904
Oct 96	10.03	9.94	9.98	+0.02	20,584
Est. sales 30,741 Thu's. sales 22,236					
Thu's open int 144,947 off 943					

	High	Low	Close	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb					
Mar 96	118.95	116.80	117.30	-0.70	15,675
May 96	120.20	119.10	119.60	+0.55	3,229
Jul 96	122.90	121.25	121.25		1,437
Sep 96	123.50	123.20	123.25		1,169
Est. sales N.A. Thu's. sales 1,451					
Thu's open int 22,307 up 298					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jan 96			399.70	-2.30	
Feb 96	403.30	396.30	399.90	-2.30	95,502
Mar 96			400.80	-2.30	6
Apr 96	404.30	398.60	402.00	-2.40	31,135
Jun 96	405.70	401.30	403.90	-1.40	28,138
Aug 96			405.60	-2.40	9,409
Oct 96	407.30	406.20	407.20	-2.30	4,195
Dec 96	410.00	405.00	408.80	-2.20	13,214
Est. sales N.A. Thu's. sales 31,760					
Thu's open int 219,219 up 3479					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb					
Jan 96	118.35	114.75	115.50	-3.50	3,064
Mar 96	114.80	112.10	112.15	-2.65	27,787
Apr 96	112.25	111.25	111.05	-2.40	
May 96	111.90	109.30	109.85	-2.25	5,625
Jul 96	110.30	109.20	108.65	-1.95	2,873
Aug 96			107.95	-1.90	431
Sep 96	108.20	106.30	107.45	-1.75	2,640
Oct 96			106.80	-1.85	
Nov 96			106.30	-1.85	
Est. sales N.A. Thu's. sales 9,222					
Thu's open int 49,659 off 523					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jan 96	548.0	547.5	542.6	-1.4	144
Feb 96			545.8	-1.2	
Mar 96	554.0	543.3	547.0	-1.0	60,219
May 96	557.5	548.5	551.9	-1.1	11,453
Jul 96	561.0	553.0	556.1	-1.0	8,004
Sep 96	565.0	560.0	560.0	-1.0	8,953
Dec 96	571.0	564.0	566.0	-1.0	5,676
Jan 97			568.8	-1.0	
Est. sales N.A. Thu's. sales 8,338					
Thu's open int 98,179 off 535					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 96			417.10	+1.50	1
Apr 96	422.50	418.10	420.60	-1.50	19,010
Jul 96	422.90	421.50	422.30	-1.60	2,580
Oct 96	425.30	423.30	424.00	-1.60	1,370
Jan 97			425.80	-1.63	
Est. sales N.A. Thu's. sales 1,917					
Thu's open int 23,015 up 54					

LONDON METALS (LME) Dollars per metric ton

		Close		Previous	
Aluminum (High Grade)					
Spot	1558.00	1559.00	1564.00	1565.00	
Forward	1586.00	1587.00	1589.00	1590.00	
Copper Cathodes (High Grade)					
Spot	2555.00	2560.00	2602.00	2607.00	
Forward	2489.00	2490.00	2492.00	2494.00	
Lead					
Spot	717.00	718.00	722½	723½	
Forward	709.00	710.00	714.00	715.00	
Nickel					
Spot	8320.00	8330.00	8105.00	8115.00	
Forward	8400.30	8410.00	8200.00	8210.00	
Tin					
Spot	6255.00	6265.00	6235.00	6245.00	
Forward	6290.00	6295.00	6270.00	6275.00	
Zinc (Special High Grade)					
Spot	1026.00	1027.00	1034.00	1035.00	
Forward	1047.00	1048.00	1055.00	1056.00	

	High	Low	Close	Chge	Opint
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 96	95.25	95.19	95.24		8,781
Jun 96	95.53	95.48	95.51	-0.01	6,003
Sep 96	95.64	95.60	95.62		556
Est. sales N.A. Thu's. sales 2,512					
Thu's open int 15,340 up 269					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 96	110-31	110-155	110-23	-04	150,921
Jun 96	110-235	110-11	110-17	-045	13,771
Sep 96	110-20	110-155	110-155	-05	3,770
Est. sales 66,500 Thu's. sales 57,797					
Thu's open int 168,462 up 6283					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 96	115-10	114-19	115-01	-01	239,713
Jun 96	114-22	114-03	114-15	-01	24,532
Sep 96			114-17	-01	4,032
Est. sales 135,000 Thu's. sales 113,876					
Thu's open int 268,277 up 12509					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 96	121-25	120-22	121-16	+06	338,563
Jun 96	121-13	120-09	121-02	+06	22,140
Sep 96	120-28	119-26	120-17	+05	5,648
Dec 96	120-08	119-31	119-31	+05	1,301
Est. sales 410,000 Thu's. sales 396,593					
Thu's open int 369,966 off 4594					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar 96	112-12	111-25	112-03	-0-10	144,076
Jun 96	111-24	111-14	111-14	-0-10	554
Est. sales: 69,788. Prev. sales: 103,395					
Prev. open int.: 144,630 up 2,212					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar 96	101.29	100.71	100.89	-0.25	233,567
Jun 96	100.55	100.08	100.19	-0.26	8,127
Est. sales: 183,222. Prev. sales: 202,971					
Prev. open int.: 241,694 up 5,182					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 96	123.32	122.84	123.10	+0.04	
Jun 96	123.76	123.38	123.62	+0.08	
Sep 96	122.48	122.20	122.40	+0.06	
Est. volume: 200,572. Open int.: 138,099.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar 96	113.35	112.60	112.97	+0.22	64,336
Jun 96	112.75	112.38	112.49	+0.30	2,505
Est. sales: 52,235. Prev. sales: 70,077					
Prev. open int.: 66,841 up 1,464					
EURODOLLARS (CMER) $1 million-pts of 100 pct					
Feb 96	94.610	94.580	94.600	-10	16,163
Mar 96	94.740	94.690	94.720		442,486
Apr 96	94.870	94.828	94.850		2,951
Jun 96	95.100	95.030	95.070	-10	445,336
Sep 96	95.230	95.160	95.200		274,240
Dec 96	95.198	95.120	95.160		249,636
Mar 97	95.140	95.070	95.110	-10	173,817
Jun 97	95.030	94.950	95.000		161,789
Est. sales N.A. Thu's. sales 455,738					
Thu's open int 2,534,275 up 32151					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 96	1.5170	1.5000	1.5068	-64	40,452
Jun 96	1.5080	1.5000	1.5040	-84	176
Sep 96	1.4980	1.4980	1.5008	-84	5
Dec 96	1.5000	1.4930	1.4974	-84	30
Est. sales N.A. Thu's. sales 14,964					
Thu's open int 40,663 up 1993					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 96	.7341	.7319	.7321	-9	24,252
Jun 96	.7332	.7318	.7318	-9	2,127
Sep 96	.7313	.7312	.7310	-9	609
Dec 96	.7312	.7300	.7300	-9	1,041
Est. sales N.A. Thu's. sales 4,532					
Thu's open int. 28,145 off 51					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Mar 96	.6811	.6757	.6771	-36	77,083
Jun 96	.6832	.6792	.6804	-36	3,216
Sep 96	.6828	.6828	.6833	-37	1,356
Dec 96	.6865	.6860	.6862	-38	63
Est. sales N.A. Thu's. sales 22,807					
Thu's open int 83,718 up 6356					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Mar 96	.009575	.009512	.009569	+19	78,942
Jun 96	.009689	.009660	.009682	+19	3,335
Sep 96	.009790	.009768	.009788	+19	653
Est. sales N.A. Thu's. sales 16,630					
Thu's open int 83,104 off 1226					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 96	.8465	.8397	.8424	-35	43,245
Jun 96	.8522	.8476	.8499	-37	973
Sep 96	.8585	.8555	.8558	-39	88
Est. sales N.A. Thu's. sales 14,849					
Thu's open int 44,676 off 235					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar 96	93.96	93.90	93.92	-0.04	94,321
Jun 96	94.19	94.11	94.13	-0.05	78,762
Sep 96	94.25	94.14	94.17	-0.06	63,535
Dec 96	94.11	94.02	94.04	-0.06	43,368
Mar 97	93.91	93.79	93.80	-0.06	29,080
Jun 97	93.66	93.58	93.60	-0.08	27,892
Sep 97	93.46	93.37	93.40	-0.08	19,579
Dec 97	93.28	93.18	93.19	-0.08	13,809
Mar 98	93.02	93.00	93.02	-0.07	7,016
Jun 98	92.88	92.85	92.87	-0.08	4,812
Sep 98	92.75	92.72	92.75	-0.07	3,377
Dec 98	92.62	92.59	92.61	-0.08	2,587
Est. sales: 69,242. Prev. sales: 194,892					
Prev. open int.: 398,073 up 23,285					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Mar 96	96.70	96.66	96.67	+0.02	176,661
Jun 96	96.85	96.80	96.81	Unch.	163,387
Sep 96	96.89	96.80	96.81	-0.03	147,131
Dec 96	96.77	96.66	96.68	-0.04	141,382
Mar 97	96.59	96.49	96.49	-0.06	126,726
Jun 97	96.37	96.26	96.27	-0.05	112,393
Sep 97	96.10	95.97	95.99	-0.06	73,829
Dec 97	95.79	95.66	95.68	-0.07	49,170
Mar 98	95.46	95.38	95.40	-0.06	30,938
Jun 98	95.12	95.09	95.10	-0.06	26,628
Sep 98	94.83	94.81	94.82	-0.05	16,360
Dec 98	94.59	94.50	94.51	-0.06	6,156
Est. sales: 168,049. Prev. sales: 157,640					
Prev. open int.: 1,070,811 up 9,756					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 96	95.49	95.40	95.45	+0.02	
Jun 96	95.70	95.62	95.66	+0.01	
Sep 96	95.75	95.67	95.71	+0.01	
Dec 96	95.66	95.58	95.61	Unch.	
Mar 97	95.52	95.45	95.47	Unch.	
Jun 97	95.35	95.26	95.27	-0.02	
Sep 97	95.12	95.04	95.05	Unch.	
Dec 97	94.83	94.79	94.81	+0.04	
Est. volume: 52,232. Open int.: 190,800.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar 96	90.78	90.59	90.74	+0.15	48,193
Jun 96	91.27	91.12	91.25	+0.15	28,035
Sep 96	91.51	91.35	91.48	+0.15	16,034
Dec 96	91.58	91.45	91.59	+0.17	8,602
Mar 97	91.55	91.47	91.59	+0.16	4,279
Jun 97	91.55	91.45	91.56	+0.16	1,561
Est. sales: 28,519. Prev. sales: 30,230					
Prev. open int.: 106,704 up 1,304					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 96	84.60	83.65	84.50	-2.04	21,504
May 96	83.75	83.00	83.50	-1.83	12,059
Jul 96	83.30	82.45	82.77	-1.70	7,523
Oct 96	79.40	78.80	79.20	-1.06	1,804
Dec 96	77.50	77.20	77.42	+0.85	11,122
Mar 97			78.15	-0.85	1,812
Est. sales N.A. Thu's. sales 4,182					
Thu's open int 56,794 off 396					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Feb 96	54.40	52.95	54.00	-0.37	30,335
Mar 96	52.95	51.75	52.50	-0.36	28,229
Apr 96	50.20	49.40	50.00	-0.41	11,498
May 96	48.60	47.55	48.00	-0.41	6,667
Jun 96	47.70	46.90	47.35	-0.51	9,443
Jul 96	47.43	46.80	47.10	-0.61	5,158
Aug 96	47.80	47.50	47.50	-0.61	3,247
Sep 96	48.40	48.40	48.40	-0.41	2,141
Oct 96	49.25	48.55	48.90	-0.61	1,776
Nov 96	49.90	49.25	49.45	-0.71	2,016
Est. sales N.A. Thu's. sales 30,880					
Thu's open int 106,388 off 1617					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Feb 96	19.22	18.40	18.80	-0.38	28,892
Mar 96	18.44	17.94	18.17	-0.22	74,872
Apr 96	18.03	17.65	17.76	-0.22	43,110
May 96	17.78	17.47	17.45	-0.09	27,705
Jun 96	17.59	17.30	17.45	-0.10	37,804
Jul 96	17.50	17.21	17.35	-0.07	26,994
Aug 96	17.28	17.16	17.18	-0.16	17,294
Sep 96	17.20	17.23	17.20	-0.06	12,765
Oct 96	17.16	17.16	17.16	-0.04	10,635
Nov 96	17.12	17.12	17.12	-0.03	13,711
Dec 96	17.05	17.05	17.05	-0.05	32,336
Jan 97	17.08	17.02	17.02	-0.07	11,787
Feb 97	17.02	17.02	17.02	-0.05	7,244
Est. sales N.A. Thu's. sales 122,432					
Thu's open int 399,370					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Feb 96	2.260	2.130	2.168	-86	27,318
Mar 96	2.090	1.950	1.956	-87	24,740
Apr 96	1.980	1.865	1.865	-71	14,321
May 96	1.925	1.820	1.825	-42	12,551
Jun 96	1.870	1.820	1.815	-27	10,730
Jul 96	1.840	1.810	1.825	-18	8,847
Aug 96	1.840	1.815	1.807	-17	8,250
Sep 96	1.830	1.810	1.809	-12	6,805
Oct 96	1.880	1.840	1.849	-12	6,415
Nov 96	1.965	1.920	1.936	-12	4,292
Dec 96	2.060	2.030	2.036	-12	7,759
Est. sales N.A. Thu's. sales 36,982					
Thu's open int 156,253 off 3475					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Feb 96	55.50	53.70	55.41	+0.20	19,438
Mar 96	54.50	52.85	54.41	+0.22	19,909
Apr 96	56.50	55.30	56.66	+0.43	10,084
May 96	55.95	54.70	56.10	+0.37	6,962
Jun 96	55.20	54.30	55.25	+0.37	3,522
Jul 96	54.25	53.30	54.45	+0.32	3,464
Est. sales N.A. Thu's. sales 24,761					
Thu's open int 65,664 up 879					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Feb 96	161.50	158.25	158.50	-1.50	24,353
Mar 96	157.25	155.00	155.25	-0.75	12,884
Apr 96	152.50	151.50	151.75	-0.50	7,592
May 96	150.00	149.25	149.50	-0.50	3,265
Jun 96	149.00	148.25	148.50	-0.50	5,426
July 96	149.25	148.25	148.50	Unch.	4,253
Aug 96	150.00	150.00	149.25	-0.50	1,598
Sep 96	151.50	151.50	150.50	-0.75	533
Oct 96	152.75	152.75	152.50	-0.50	496
Est. sales: 13,876. Open int.: 63,314 up 1,346					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Mar 96	17.32	16.88	17.12	-0.20	72,650
Apr 96	16.82	16.46	16.69	-0.13	20,658
May 96	16.52	16.21	16.43	-0.07	15,716
June 96	16.29	16.02	16.24	-0.04	16,142
July 96	16.15	15.92	16.13	-0.03	7,877
Aug 96	16.06	15.88	16.03	-0.04	4,330
Sep 96	16.01	15.93	15.96	-0.04	2,056
Oct 96	15.86	15.86	15.90	-0.04	1,453
Nov 96	15.82	15.81	15.85	-0.04	1,249
Dec 96	N.T.	N.T.	15.81	-0.04	3,967
Jan 97	15.68	15.68	15.78	-0.04	3,922
Feb 97	N.T.	N.T.	15.76	-0.04	0
Est. sales: 32,128. Open int.: 150,020 off 2,010					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Mar 96	616.20	609.50	614.20	+3.70	191,701
Jun 96	621.40	615.10	619.60	+3.65	6,486
Sep 96	626.00	619.55	624.80	+4.45	2,926
Est. sales N.A. Thu's. sales 81,861					
Thu's open int 201,209 off 3835					
FTSE 100 (LIFFE) £25 per index point					
Mar 96	3780.0	3731.0	3773.0	+1.0	63,761
Jun 96	3759.5	3759.5	3775.5	+0.5	1,183
Est. sales: 12,018. Prev. sales: 16,763					
Prev. open int.: 64,944 up 1,809					
CAC 40 (MATIF) FF200 per index point					
Jan 96	1977.00	1963.00	1967.00	+3.00	
Feb 96	1983.00	1972.00	1974.00	+3.00	
Mar 96	1989.00	1978.00	1981.00	+3.00	
Jun 96	1963.50	1961.00	1958.00	+2.50	
Sep 96	1969.50	1969.50	1968.50	+2.50	
Est. volume: 13,637. Open int.: 63,846.					

Commodity Indexes

	Close	Previous
Moody's	1,439.00	1,434.20
Reuters	2,124.80	2,123.90
D.J. Futures	146.82	145.97
CRB	240.63	240.59

NYSE

Friday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

Continued on Page 14

ASIA/PACIFIC

Korea Bankruptcy Signals Policy Shift

Compiled by Our Staff From Dispatches

SEOUL — The government's decision not to bail out Woosung Construction Co. signals a shift to a tougher policy and could spark a chain reaction of insolvencies, analysts said Friday.

Woosung's 23 creditor banks and 34 nonbank creditors allowed the company to go under Thursday after it failed to honor 16.9 billion won ($21.4 million) in promissory notes on Wednesday.

"Woosung's fall is a prelude to more failures of similarly troubled contractors," said Jin Ho Jeong of the Korea Economic Research Institute. "It is going to be a big political as well as economic problem."

South Korean bankruptcies rose to a record high in the first 11 months of 1995, to 12,724, according to the Bank of Korea. That compares with a total of 11,255 bankruptcies for all of 1994.

"I am surprised the government had the guts to let Woosung fail ahead of crucial parliamentary elections in April," said Chung Jin Ho, president of the fund manager Asset Korea.

Traditionally, troubled companies have been supported by government-guided aid programs. Last year, the government directed 12 local banks to provide emergency loans worth 200 billion won to Woosung to prevent it from collapsing under more than 1 trillion won in liabilities.

But last month, Rha Woong Bae, the newly appointed finance and economy minister, said, "Regulations have to be lifted not just eased," to allow the economy to advance before it joins the Organization for Economic Cooperation & Development by the end of the year.

Lee Chul Soo, president of Korea First Bank, Woosung's biggest creditor, said his bank had "constantly reported to and discussed with authorities and the government," before declaring Woosung bankrupt.

The government said Friday that it would take all necessary steps to contain the damage caused by Woosung's failure.

"The impact on construction and financial sectors will not be small," said Lee Hwan Kyun, vice finance minister. "We will make swift attempts to keep the impact of the bankruptcy from extending to other contractors or subcontractors."

Despite these reassurances, the demise of Woosung could have a chain reaction on other subcontractors, analysts said.

This could further hurt local banks, already reeling from heavy stock losses last year. Chang Woong Soo, a researcher at Samsung Economic Research Institute, has estimated that Korean banks lost a total of $2.5 billion on the stock market last year as the benchmark Korea composite stock index fell 14 percent.

The index slipped 1.07 point Friday, to 848.07, and is down almost 4 percent so far this year.

(Bloomberg, Reuters)

The Asian Boom That Wasn't

Bond Underwriters Learn Expensive Lesson

Bloomberg Business News

HONG KONG — Thinking about selling bonds in Asia? Don't bother. Few investors want to buy them.

With Asian economies booming, one would think the bond market would be flourishing, too. Yet it totals only about $400 billion — peanuts compared with $5 trillion market for U.S. government debt.

Without buyers for bonds, most Asian companies raise money by selling stock or borrowing from banks. When they want to sell a bond, they often go to the U.S. or European market, where more of the big buyers like insurance companies or pension funds are.

This is likely to be the story for years to come.

"Five to 10 years from now this part of the world will be an origination and distribution center for Asian bonds," said Michael Roche, director at HSBC Asset Management in Hong Kong. "But it's a long process. It will take time to develop a public bond market."

Meanwhile Asia has turned out to be a disaster area for Western investment bankers, who opened offices in Hong Kong in the early 1990s expecting the bond business to boom. It was an expensive lesson.

Greed in what has come to be called the Dragon Bond market did them in, say the survivors.

"It was every man for himself," Mr. Roche said. "There was little spirit of cooperation in developing this market."

Investment bankers — who arrange bond sales — drummed up business by promising companies and governments they would not have to pay very high interest rates on their bonds. But the rates they offered were so low that investors spurned them. They considered it an inadequate return for the risk they were taking in buying the debt of companies largely unknown and unrated by bond-rating firms.

"You had very aggressive investment bankers promising the moon and making commitments so great it was impossible to back out," said Tim Goodell, head of debt trading and underwriting in the Hong Kong office of Merrill Lynch & Co. "They came here under the illusion that China was an enormous gold mine."

It did not turn out to be for Merrill. In early 1994 it got stuck with much of the $1 billion in mispriced bonds it was trying to sell for the Chinese government. The bonds paid 85/100ths of a percentage point more than U.S. Treasury bonds, the ultimate safe bond investment.

To get investors to buy, the spread should have been more than 1 percentage point. Mr. Goodell would not comment.

Local investment bankers have not had much luck, either. Hong Kong's Peregrine Investment Holdings is Asia's largest investment bank outside Japan. It created a bond underwriting business in March 1994, saying it would build a bond business across Asia by tapping into its vast network of corporate clients. That prediction turned out to be a little too optimistic.

Nine months later, Peregrine tried to sell $1 billion worth of bonds for Hopewell Holdings Ltd., a developer and operator of power stations in Hong Kong. It was Hopewell's first bond sale and the first time in Asia anyone had tried to raise that much money from one bond sale. Hopewell got a low credit rating, which meant investors wanted a higher interest rate. Peregrine could not find enough buyers and the sale had to be called off.

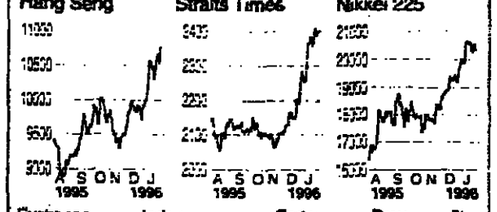
American investment bankers are still plugging away looking for business in developing countries such as Thailand, Indonesia and Malaysia. Those countries are expected to spend heavily on building roads and other necessities, and they are expected to borrow a lot of money to do it.

But a huge market is a long way off.

"In terms of where the markets are," said Thierry Porte, president of Morgan Stanley Japan Ltd., "Asia now is like Europe 10 or 15 years ago."

Investor's Asia

Hong Kong Hang Seng | Singapore Straits Times | Tokyo Nikkei 225



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	10,764.10	10,536.50	+2.16
Singapore	Straits Times	2,403.18	2,396.27	+0.29
Sydney	All Ordinaries	2,247.10	2,250.40	-0.15
Tokyo	Nikkei 225	20,365.76	20,370.04	-0.02
Kuala Lumpur	Composite	1,056.69	1,038.86	+1.72
Bangkok	SET	1,376.03	1,354.21	+1.54
Seoul	Composite Index	848.07	849.14	-0.13
Taipei	Stock Market Index	5,016.76	5,028.20	-0.23
Manila	PSE	2,764.52	2,731.27	+1.22
Jakarta	Composite Index	562.35	557.71	+0.83
Wellington	NZSE-40	2,079.74	2,068.60	+0.49
Bombay	Sensitive Index	2,918.21	2,940.40	-0.75

Source: Telekurs International Herald Tribune

Very briefly:

- **U.S. and Thai** officials have signed an accord that will allow for increased commercial airline traffic between the countries.
- **Shanghai** brokers blamed an inadequate legal and monitoring system for a boom in crimes in futures and securities trading, the Shanghai Securities News reported.
- **China** plans to redouble efforts to restructure its oil industry to promote greater trading efficiency and to create a more cohesive state oil trading company.
- **Mitsubishi Motors Corp.** plans to shift its focus from recreational vehicles to sedans this year to try to increase sales.
- **NEC Corp.** plans to invest $9 million to form a joint venture to make radio communications systems in China.
- **Thailand's** central bank said it was prepared to loosen monetary policy, but lower interest rates would depend on stable interbank rates and inflation.
- Combined net profit at **South Korea's** 25 commercial banks fell 23 percent, to 867.6 billion won ($1.1 billion), in 1995 because of a drop in profit from share investment and sales of subsidiaries, the Bank of Korea said.

Names, names, names...

- **Dick Zandee** has been named managing director of Placer Pacific Ltd., an Australian mining company.
- **Robert Mao** has been chosen to head Alcatel Alsthom's operations in China.
- **Linin Day** has left his post as a deputy finance minister of Taiwan to become a chairman of a local commercial bank.

Bloomberg, AFP, AP, Reuters, AFP

Gordon Wu Strikes Back

Bloomberg Business News

HONG KONG — Gordon Wu, the managing director of Hopewell Holdings Ltd., lashed out Friday at critics who say a cash shortage at his company has cast doubt on the viability of some of its Asian infrastructure projects.

In an interview with Asia Business News, Mr. Wu said, "I am not in the job of trying to get idiots to understand. I tell them to go to hell."

Hopewell has run into trouble building roads and power plants across Asia. The company spent $700 million more than expected on a highway in Southern China and has lost early completion bonuses as power plants in China and the Philippines ran into delays.

Mr. Wu also said he had no plans to sell any of the company's 61.6 percent stake in its subsidiary Consolidated Electric Power Asia Ltd. The company said last week it was considering selling part of that stake.

Chinese Leader Reassures Hong Kong

Bloomberg Business News

HONG KONG — Zhu Rongji, China's deputy prime minister in charge of economic policy, said Friday that Hong Kong need not worry about its prosperity during the transition to Chinese sovereignty.

"Where there is money to be made, investors will always come," Mr. Zhu said, as quoted by Leoni Ki, chief executive of the Better Hong Kong Foundation delegation, a nonprofit organization set up to promote Hong Kong.

Members of the foundation met with Mr. Zhu and other senior Chinese officials in Beijing this week.

Mr. Zhu told the delegation that he took a personal interest in Hong Kong's economy. "I read Hong Kong newspapers every day," Mr. Zhu said, according to Mr. Ki.

"Clearly, there are some problems, such as unemployment," he said. "But these are all short term."

■ Stocks Hit 23-Month High

Hong Kong stocks soared to their highest closing level in 23 months on Friday, propelled by Thursday's rise on Wall Street and interest rate cuts in Europe, news agencies reported.

The Hang Seng index jumped 2.16 percent, to end at 10,764.10 points.

Investors said remarks by Lu Ping, China's top official on Hong Kong affairs, that he would welcome a return to the local bourse by the Jardine group also helped the market.

Jardine responded by saying that while it had no plans to relist in Hong Kong, it had not lost confidence in the territory.

"Where our shares are traded is not a reflection of where we place our confidence," said Neil McNamara, the group's corporate secretary. *(Reuters, Knight-Ridder)*

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(Continued)

FIRST COLUMN

Consider The Goldfish

NO doubt about it: Emerging Asia is "hot" again. Throughout the region, stock markets are rising, the currency risk is more than acceptable, and fund investors are doing well.

But before taking out a second mortgage and spending the proceeds on Asian equity and Latin American debt funds, investors would do well to study the lifestyle of the goldfish.

The point about the goldfish is its tiny memory span. Some say that its recall extends no further than seven seconds. This is not without its advantages: A goldfish in a tank that takes more than seven seconds to traverse must live in a happy, subjectively limitless universe of endless discovery.

The economist John Kenneth Galbraith has estimated that investors have a financial memory of considerably greater length. Professor Galbraith argues that it takes investors at least two decades before they forget the last time there was a thoughtless stampede into a popular investment sector. He identifies a susceptibility to the herd instinct, itself a symptom of financial euphoria.

Cynics would argue that investors rushing into emerging market funds would find themselves somewhere between the goldfish and the herd investor. They would ask whether emerging market investors can really have forgotten the pain of 1994, which began badly and ended appallingly — especially for those invested in Mexico. The cynics would tell you that the emerging market investor's memory lasts just two years.

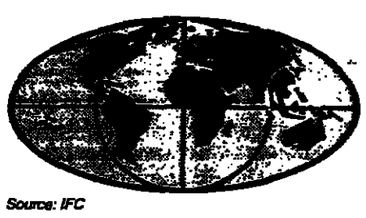
But a measured reaction is more appropriate. Maybe the move to emerging markets is rational, because there really is value to be had. Certainly, violent swings are inevitable in these markets, where the brave and the wise will have hung on through the pain of 1994.

M.B.

Emerging Asia Takes Its Turn at Attracting Smart Money

By Rupert Bruce

IFC Asian Emerging Market Index
Index in U.S. dollars. March 1988=100.



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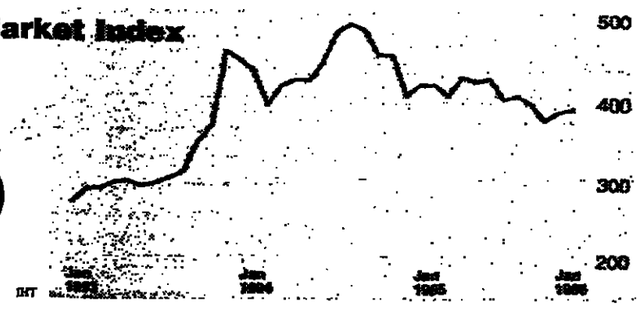

ONCE again, emerging Asia's stock markets are hot. Since the beginning of the year, foreign portfolio managers have been pouring money into the region, local stock market turnover has surged, and almost every market strategist predicts that share prices are headed higher fast.

In the frenetic weeks since the beginning of 1996, Hong Kong's and Manila's main indexes are up in the region of 5 percent, while those in Bangkok, Jakarta and Kuala Lumpur have risen roughly 7 percent.

The tide has turned. "We are forecasting some $50 billion of portfolio equity investment in 1996," says Angela Cozzini, a strategist at ING Barings. That is under the region's boom year of 1993, when some $62 billion flooded into local stock markets, but it compares favorably with 1995, when only $15 billion flowed in.

What is driving this year's wall of money is a self-fulfilling "rotation" argument. It goes like this: Last year, developed stock markets in the United States and Britain performed well, but emerging Asia's fell 14 percent as measured by the International Finance Corporation (IFC) Emerging Asia Index. Investors therefore contend that it is now Asia's turn to catch up, so they are rotating their money into these markets.

But for the average investor chasing such global liquidity flows is not a wise move. While the rapidly growing emerging economies of Asia have the potential to greatly enhance wealth, one should remember that these markets are subject to violent moves down as well as up.

The appropriate way for non-professional investors to mitigate this risk is to invest for the long term only. "If you need to take your money out in less than five years, you are speculating," says Arnab Banerji, chief investment officer at Foreign & Colonial Emerging Markets.

For the long-term investor the argument for investment in these markets is just as compelling and arguably more sound than the rotation argument. Put simply, it is that long-term economic growth and stock market performance in the region looks set to outperform anything the developed economies and stock markets have to offer.

To date, the emerging Asian economies have been driven by industrialization, while the stock markets have been largely propelled by foreign portfolio investment from the likes of U.S. and British pension funds. A recent report by the strategy team at ING Barings points out that in the future the strength of these markets is likely to be reinforced by the growth of domestic investment, since the local populations are becoming wealthy enough to buy shares in greater numbers.

The effect of long-term superior performance from these markets compared with developed ones is surprisingly great when compounded year after year. Mr. Banerji calculates that if an investment in these markets outperforms one in the U.S. market by an average of 5 percent a year over a 25 year investment term — which he regards as a reasonable assumption — an investor might expect his final Asian investment to be worth three and a half times as much as his U.S. investment. So if $1,000 invested in the United States turned into $2,000, the same sum invested in Asian emerging markets would be worth $7,000.

He argues that such long-term outperformance easily compensates for the risk that in one year of a 20 year investment term the local markets might suddenly fall back by, say, 15 percent.

Nonetheless, he and others say that an investment in this region should be made into a fully diversified investment fund. Although a case could be made that over the long term this is unnecessary thanks to the effect of compounding outperformance, the fact remains that political risk is relatively high and any one country could face serious difficulties.

According to Georgina Wilde, a regional director in the country and forecasting department at the Economist Intelligence Unit, there is a serious danger of succession problems in both China and Indonesia, an escalating standoff between China and Taiwan, and, of course, a big question mark over the future of Hong Kong when it returns to Chinese governance in 1997.

Still, the picture of Asia's emerging stock markets as sound long-term investments is reinforced by a recent report from the Organization for Economic Cooperation and Development. It argues that as long as responsible policies are pursued by local politicians, the developed world's pension fund industry will be able to alleviate the burden of funding the developed world's aging population by investing in fast-growing emerging market stock markets.

The study estimates that as much as $353 billion of pension fund assets frm OECD countries will be invested in emerging markets — including those outside Asia — by the year 2000. That compares with $12 billion in 1992 and represents 2.9 percent of total pension fund assets.

In fact, some investment consultants argue that a far higher percentage of a portfolio should be invested in emerging markets to get the optimum risk-reward tradeoff. In the United States, one consultant advises pension funds with a 20-year time horizon to invest roughly 20 percent of a portfolio in emerging markets. In practice, of course, the average U.S. pension fund has nowhere near that exposure.

The calculations that have led to these conclusions for institutional pension funds hold equally true for individuals. A U.S. national with 20 years to save for retirement should, by these calculations, have as much as 20 percent of a retirement portfolio in a well-diversified emerging markets fund.

Investors looking for a pan-Asia fund to channel such investments have a choice from most leading investment houses. Some of the best and most consistent performers over the long-term are: GAM East Asia, run by Global Asset Management and domiciled in the Cayman Islands; Aema Asia Trust, run by Aema and domiciled in Hong Kong; CL Asia Pacific Growth, run by Crédit Lyonnais and domiciled in Singapore; JF Eastern Trust, run by Jardine Fleming and domiciled in the Cayman Islands; Arral Asian Hedge, run by hedge fund manager Arral and domiciled in the British Virgin Islands; Schroders Asian, run by Schroder and domiciled in the Cayman Islands; and Fidelity South East Asia Trust, run by Fidelity and domiciled in Luxembourg.

According to Micropal, the London-based fund monitoring group, all of these funds have outperformed the IFC Investable Composite Total Return Index in each of the past six years, with annual returns ranging from around 19 percent to almost 25 percent.

Emerging Asia

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Malaysia's surprising boom
Investors rediscover Thailand
Taiwan's slow evolution

'Tiger Cub' Country Funds: It's a Jungle Out There

By Aline Sullivan

RIDING a tiger can be exhilarating. But for investors with a real taste for adventure, the Asian "tiger cub" economies make their elders look positively sedate.

A host of funds now cater to investors seeking exposure to China, Vietnam, the Philippines and the region's other fast-growing economies. Even investors bullish about Bangladesh and Mongolia can pick and choose. All told, more than $30 billion is invested in 265 regional funds, according to Micropal, the London-based fund monitoring group.

Their recent performance, however, has been mostly lackluster. For example, Micropal recorded an average loss in the year to Dec. 22 of 16 percent for Southeast Asian funds and a whopping 34 percent for Asian subcontinent funds.

But analysts attribute the losses more to the timing of the funds' launches than to the abilities of the portfolio managers. Many funds were set up around two years ago, just ahead of the worldwide collapse in emerging markets share values.

"Most of these funds were launched at just the wrong time," said Gregg Wolper, an editor at Morningstar, the Chicago-based fund monitoring group. "They should do a lot better when the region's economies start to pick up."

In the interim, the managers of many of the bigger funds are hedging their bets. Funds that are marketed as investments in Asia's newly emerging nations often retain a substantial portion or even all of their investments in the more developed economies.

For example, Fleming's Prosper Southeast Asia Fund allocates 37 percent of its $270 million in assets to Hong Kong and just half of one percent to China. "We are investing in Hong Kong as a way of gaining exposure to growth in China," said Lopa Kothari, an investment director of Fleming Asset Management in London. "Our direct stake in China will grow as company management in the country improves."

Templeton's Vietnam Opportunities Fund currently allocates 25 percent of its $110 million in assets to Hong Kong and another 11 percent to Singapore. Equities account for less than half the total and much of the remainder is invested in sovereign debt.

"The fund invests in Asian companies that are likely to benefit from growth in Vietnam as well as direct opportunities in the country," explained a Templeton spokeswoman. Until Vietnam opens a stock exchange, currently scheduled for the end of 1998, direct investment in the country will remain difficult, she said.

Laos, Cambodia and Burma are all expected to develop stock exchanges around the same time as Vietnam. Until then, fund asset allocations in these countries are likely to remain minimal, David Masters, editor of Micropal's Emerging Market Fund Monitor, wrote recently. Longer term, however, their prospects look cheery.

"Given sufficient political stability and a continued gradual erosion of the old political ideology in favor of market-led economies, it is probable that foreign investors will turn to these new markets as some of the more mature emerging markets stop growing," he said.

The Money Report is edited by Martin Baker

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The bank projects a return of around 13 percent over the year to April 10. The account is U.K.-based, denominated in sterling (minimum investment £5,000, or $8,000) and subject to withholding tax.

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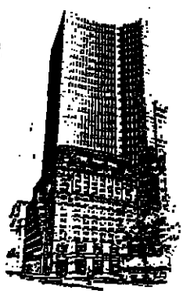

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THE MONEY REPORT

Investors Sort Through A Wealth of China Plays

DOUGLAS Eu jokes that for the past two years he has had the worst job in the world. As one of the China fund managers for brokers Jardine Fleming in Hong Kong, he has watched Chinese stocks fall a terrifying 60 percent during the period.

"I would wake up and ask myself: 'How do I avoid losing money today?' There were 20 or 30 things going wrong at the same time in China," he says.

In the early 1990s, China had seemed like the dream emerging-market economy, with a low cost skilled labor force and a government that was edging toward capitalism.

The euphoria was swiftly replaced by disillusionment after 1993, as people realized that investing in China was not that easy.

An overheating economy in the early 1990s, with growth running at 17 percent and inflation reaching 27 percent, was the main reason for the stock market's plight. The government introduced an austerity program, which succeeded in taking some of the heat out of the economy but it also hammered corporate earnings.

Since then inflation has fallen to 15 percent and growth is expected to come in at around 10 percent this year. If the economy is heading for a soft landing, as some analysts and brokers think, China stocks could be about to fulfill some of their promise.

Before that happens, however, brokers say that investors will have to make sense of the bewildering array of vehicles for investing in China: from the different categories of shares on the Shanghai and Shenzhen exchanges to the range of Hong Kong, Korea and Singapore that are "China plays."

Part of the difficulty is that not all the vehicles with China in their name are necessarily pure China funds. Many hold the bulk of their investments in Hong Kong or Korean companies that have under 10 percent of their turnover in mainland China.

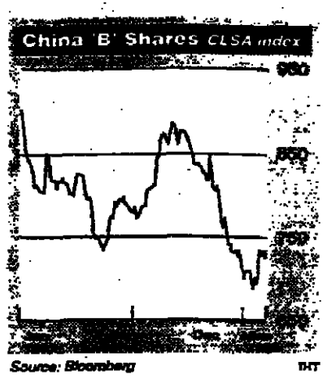
On the other hand, others have most of their assets in China B shares, listed in Shanghai, or H shares, Chinese companies listed in Hong Kong.

Adaline Ko, fund manager the Eaton Vance China Growth fund in Hong Kong, prefers the indirect approach to China: "It is easier to get exposure to China via Hong Kong. The 'Red Chip' Chinese companies quoted in Hong Kong are more liquid, more transparent and less volatile than China B shares," she says.

Alternatively, for the really risk-averse investor she says that there is an even more indirect route: "If investors can't stomach the roller coaster ride that is involved in investing directly in China but want to participate in the long term growth of China, it is better to go into a diversified Asian fund with a big bias towards China."

But Mr. Eu at Jardine Fleming, prefers the direct approach, through purchase of domestic Chinese stocks. "In recent years, the more China-based a fund has been, the worse it has done. Funds approaching China from Hong Kong have done better. However, over the next few years I am convinced that the reverse will be the case and that pure China funds will do better."

A compromise between the two approaches is that of Barings, whose New York-listed Greater China fund has 20 percent of its portfolio in B and H shares. Another 20 percent is in stocks of Hong Kong companies that are listed in Hong Kong but have Chinese owners. The remainder are Hong Kong companies that have a large percentage of their business in China.



Advisers are unanimous, however, that investors should try to avoid closed-end China funds that are trading at premiums to the underlying assets. In recent weeks a number of New York-listed China funds have rocketed to premiums to net asset value. Offshore funds or those listed in markets other than New York are better value, as they are often still trading at discounts.

In the end, though, China's market promise may only be fulfilled once China's market regulators impose some order on what is still a fairly undisciplined industry. Richard Graham, director of Barings in Shanghai, says: "There are too many categories of share. This must be simplified and other reforms are needed before investors feel as comfortable about investing in China as they do in other parts of Asia."

Iain Jenkins

Leading Emerging Market Funds

10-year cumulative total return

JF Philippine Trust	1,967.85%	JF ASEAN Trust	837.51	Umbrella Debt Brazil Fixed Inc	85.85
Bangkok Fund	1,180.79	INVESCO South East Asia	614.37	Financial Investment Portfolio Co	73.56
Korea Fund, Inc	1,104.67	Abbey Asian Pacific	598.37	Recovery Investment Financial Co	67.84
HSBC GIF Asean Equity	788.55	3-year cumulative total return*		Emerging Mkts Liquid Inv Portf	61.25
JF Eastern Trust	749.05	Dallas Latin American	120.51	Emerging Mkts Income Fund	58.39
Mexico Fund, Inc	718.21	Garanta Debt Fund	90.17	Plus 500 Em Mkts High Yield	49.75
Schroders Asian	651.38	Latin America Inc & Appn	88.19		
		Star High Yield Fund	87.05		

*Debt Funds

Source: Micropal IHT

India's Role as 'Engine' Awaits Market Reforms

By Iain Jenkins

THERE is little doubt that democracy can get in the way of modernizing an economy. Just ask anyone who does business in India.

"There aren't many votes in making it easier for companies to lay off staff or in reforming the banking system," jokes Adrian Mowat, director of Martin Currie, the British brokerage.

Undoubtedly, investors' disillusionment with the slowness of reforms and policy mistakes in India's vast democracy of 980 million people contributed to the appalling performance of Indian stock markets last year. While Wall Street rocketed up 34 percent in 1995, anyone who invested in India saw their shares plunge a frightening 38 percent in dollar terms.

Nevertheless, the jury is still out on whether India can fulfill its ambition to outclass China as the economic powerhouse of the region. Some analysts believe that the last two years have been only been a temporary pause for breath. Others believe that the government could still squander India's enormous potential if it does not press on with economic and stock-market reforms.

Behind the arguments of the optimists is a fundamental belief in India's low-cost, highly skilled labor force, particularly in information technology and engineering.

Furthermore, the economy seems to emerging from a sharp monetary tightening. Inflation is at around 7 percent and falling. Growth is running at around 5 percent.

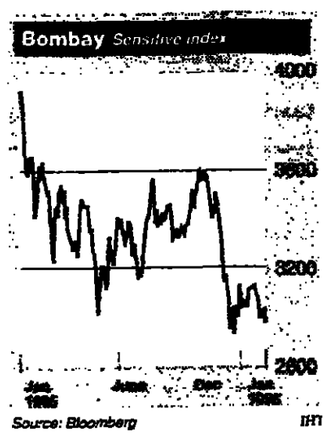
On top of all this, stocks on the main Bombay Stock Exchange and other markets appear to be undervalued, according to fund managers. "India has the lowest prospective price-earnings ratio in the region," says Ayaz Ebrahim, director of Indosuez Asset Management.

According to Indosuez, the current price-earnings ratio for Indian companies is 10.4. The P/E for Hong Kong is 12.3, Taiwan 16.5, Thailand 18, Malaysia 19.3 and Singapore 19.2. Providing that the liquidity squeeze in India slackens to some extent throughout the year, these low valuations suggest that Indian markets could be in for a sharp recovery.

Many people believe that the recovery will have to wait until after the general election which is slated for April. There are fears that neither of the two reform-minded parties — Congress (I), the center-left governing party, and BJP, a center-right party — will be able to put together workable coalitions.

Mr. Conway at Marlin says: "In the short term, there is still a chance that the market will go down as it reacts to political news. However, my suspicion is that it has bottomed out. I still can't seem much that will drive India forward in the next three months. There are better opportunities elsewhere in Asia."

Scobie Ward, director of Lloyd George Asset Management in Hong Kong, agrees. "It is easy for investors to forget how quickly this market rises when sentiment turns," he says. "Once the election is out of the way, the uncertainty will end and the market could rise very quickly."



Another negative factor is the likely continued sale of local mutual fund assets by Indian companies. For tax reasons companies put spare cash into mutual funds, then sold them throughout 1995 to free up cash as interest rates soared through 11 percent. If interest rates continue to rise and the sales continue, it could depress stock prices.

For anyone tempted by the Indian story, there are a number of closed and open-ended country funds listed in New York and London. In recent weeks in anticipation of a recovery in India following the disaster last year, many of the New York-listed funds jumped to a premium to net asset value, some as high as 16 percent.

Mr. Ward at Lloyd George says: "The most attractive option is an open-ended fund or one of the closed-end funds that is not already trading at a premium." One favorite closed-end fund is the Indosuez Himalaya Fund, which traded recently at near net asset value.

Among open-ended funds, which move in tandem with the underlying stocks, advisers like the Eaton Vance Greater India fund, a U.S. fund, and the Martin Currie Indian Opportunities Fund, which is listed in Dublin.

Liquidity Bandwagon Rumbles Into Malaysia

By Rupert Bruce

MALAYSIA'S stock market is one of the greatest investment contradictions in Asia. In the first two weeks of 1996 the Kuala Lumpur Composite Index has risen more than 6 percent. Its climb comes in the face of the widely accepted problems of a large and growing current account deficit, soaring consumer spending and a potentially overheating real estate market.

"I think at this point in the game, when liquidity flows are picking up, if you talk about political questions or price valuations or excessive growth of current account deficits you get run over by a truck," says Paul Schulte, regional strategist at CS First Boston. "These were legitimate issues three months ago but are not now with interest rates collapsing all over the world."

Analysts say that fund managers who are buying Malaysia are buying it for precisely this kind of reason: They do not like the fundamental economics and regard the stock market as expensive, yet they dare not miss out on a liquidity driven bull market.

To judge by the numbers, Malaysia seems to have few macroeconomic problems. Gross domestic product has grown at a rate of more than 7.5 percent each year since 1988, and this year the government forecasts growth of 8.5 percent. During the past eight years per capita incomes have doubled to nearly $4,000. The country even looks prosperous, with new office developments and shiny luxury cars crowding the streets of the capital, Kuala Lumpur.

But it is precisely these kinds of luxuries that make economists nervous about Malaysia. They say that imports are swelling the current account deficit to dangerous levels: In 1994 it stood at 11.6 billion ringgit ($4.52 billion), or 6.6 percent of GDP, but projections for 1995 show the deficit at 18 billion ringgit, or nearly 10 percent of GDP.

To allay investors' fears of an overheating economy, Anwar Ibrahim, the deputy prime minister and minister of finance, announced in his October budget that he would reconsider the building of several multibillion-dollar infrastructure projects and take steps to cool the property market.

For the moment, though, international fund managers remain unconvinced that the government of Prime Minister Mahathir bin Mohamad is serious about slowing down the economy. "Right now the government's rhetoric is really creating some concern in the market, especially among foreign investors," says one fund manager. He explains that none of the government's recent statements have helped convince him that the country's economic problems are being taken seriously.

Short-term, an expert investor can probably make good money out of the volatile swings in Malaysian stocks. Mr. Schulte of CS First Boston says that because the stock markets in the region are so small, a relatively small investment can move them: To buy 0.5 percent of a large company in Malaysia, for example, one would have to buy all of the shares available on the Kuala Lumpur exchange for six days. To buy the same stake in a Malaysian smaller company would take 13 days.

To longer-term investors — which, experts warn, should include all private investors — volatility is a moot point. "If you are looking at things on a stock-by-stock basis and a company represents good value, we may still buy it despite everything else," says Chrissy Keen, investment communications director at Fidelity Investments.

Infrastructure Plan Spells Opportunity in Philippines

By Ann Brocklehurst

VISITORS to the Philippines are usually shocked by the ubiquitous poverty, then surprised to learn that after World War II this country was the second richest in Asia after Japan. Since that time, decades of boom-and-bust economic cycles — but mostly bust — have severely damaged not only the archipelago's economy but its reputation as well.

While it now appears that those old cyclical patterns may have finally been broken, the Philippines still suffers from frequent comparison with its far more prosperous Asian neighbors. "I think popular opinion has been influenced too much by comparison with the four Asian tigers," says Joyce Cornell, an emerging markets fund manager with Scudder Stevens & Clark.

The Philippines has just ended its third year of economic recovery, and Ms. Cornell notes that political stability is increasing, foreign direct invesment is accelerating, inflation is under control and the tax collection system is improving.

One of the most frequently cited obstacles to investment in the Philippines is the extremely poor state of the country's infrastructure. While the daily power blackouts that plagued Manila for much of the past decade now appear to be under control, new problems have arisen.

"Manila is almost as clogged and polluted as Bangkok. A 20-minute walk can take one-and-a-half hours in a car," says the investment analysis firm Independent Strategy in a recent Philippines report. "In unregulated air space, one hotel leases out helicopters to taxi busy executives from roof top to roof top."

The report also quotes Alan Orlitz, vice chairman of the Philippines Development Bank, who estimates that infrastructure expenditure over the next 10 years will need to reach $40 billion to $50 billion, of which 40 percent should be spent on roads, 30 percent on railways and 30 percent on telecommunications.

While Ms. Cornell and other analysts acknowledge the need to improve infrastructure, they point out that this can be seen as an opportunity for investors.

"We're still very bullish on the cement sector," which is a major ingredient of infrastructure projects, says Alexander Pomento, director of research at ING Barings Securities in the Philippines. He noted that there are four cement companies among the 30-odd initial public offerings slated for this year, with an estimated total market value of $2.5 billion.

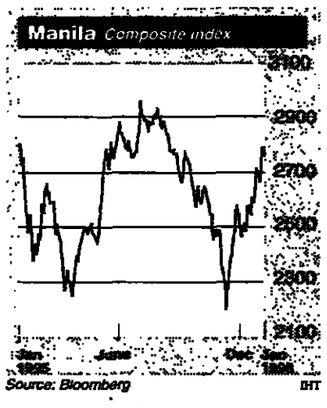
Analysts are also optimistic that this year will see the market rise from current levels of around 2,700 to break its record high of 3,346 set in January 1994.

Mr. Pomento does not, however, expect a repeat of the "anything goes" year of 1993, when overseas funds helped to boost the Manila bourse by 133 percent.

"I think people have learned their lesson in the last 24 months. The market's starting to be sophisticated and intellectual," he said. "Our outlook is now very positive despite some concerns on inflation."

Bob McKee, an economist at Independent Strategy in London, says that while the Philippines' savings rate of more than 20 percent of gross domestic product is favorable by Latin American standards, it is not enough to sustain the 6 percent to 7 percent growth rates managed by the Philippines' East Asian neighbors.

He also notes that, as the Mexican crisis showed, growth financed by an over-reliance on speculative foreign capital can end both quickly and painfully.



Taiwan Evolves Slowly From Maker to Market

By Beverly Chandler

IN 1995 Taiwan had the distinction of being the worst-performing stock market in Southeast Asia, closing the year with a loss of 35 percent.

But the island nation's apparent deficiencies as an investment opportunity belie something of an emerging market economic success story. Betsy Masser, a stockbroker with Jardine Fleming in Hong Kong, says Taiwan could be classified as "the emerging economy that has emerged."

In the early 1980s, Taiwan was known as the factory of the world, the most likely of the Asian economies to have made the pen in your top pocket or the calculator in your briefcase.

But now, cash-rich Taiwan, with $350 billion in foreign cash reserves, has such high real estate costs and an expensive — albeit well-educated — work force that manufacturing companies now find it cheaper to send the bulk of their assembly work to Malaysia or the Philippines.

"Taiwan has very rapidly moved up the value added scale," Ms. Masser says. "Instead of being assemblers, they have become the world's top integrated circuit manufacturers."

The reason why the achievement of relative affluence is not reflected in the country's stock market is simple: Political uncertainty has led to chronic market volatility.

The fundamental political problem facing Taiwan is its tense relationship with China. Despite, or even because of, Beijing's avowed intention to have Taiwan back once Hong Kong returns to Chinese rule next year, the relationship between the two Chinas is far from friendly and loaded with suspicion.

Ashok Shah, senior portfolio manager at the Old Mutual fund management firm, remembers the late 1980s when the Taipei Stock Market "went berserk." From 1987 to 1990, the market index went from less than 2,000 points to more than 12,000, then fell back to less than 3,000. "It was very volatile, very speculative," he says.

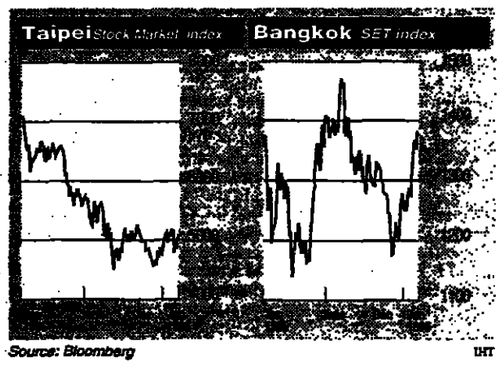
Today a lot of the speculation has unwound because of a tighter regulatory environment, and Mr. Shah believes that despite lingering political uncertainty, the outlook for Taiwan stocks is fairly positive, particularly for the second half of 1996.

Chris Russell of fund manager Martin Currie in Edinburgh agrees. In the enviable position of having launched a Taiwan Opportunities Fund at the beginning of a year that showed such profound underperformance in the market, Mr. Russell believes that now is the time to buy and that positive returns will be back.

There is also the looming threat of recessionary conditions in Taiwan — by which local economists mean a reduction in growth from the average of 6 percent a year for the last 20 years, down to 5 percent.

But analysts say the threat of even a modest slowdown should bring about an easing of monetary policy by Taiwan's central bank, which could boost the economy.

Despite recent enactment of market-opening reforms, investment in Taiwan remains limited to professional fund managers. This closed environment, warns Mark Searle of the brokerage Gerrard Vivian Gray, can give Taiwan funds an unnatural premium.



Investors Rediscover Taste for Thailand

By Conrad de Aenlle

IT is hard to find a money manager who speaks ill of Thailand's stock market. Several are touting it as one of this year's best prospects and have apportioned more money there than to most other emerging markets.

What is unusual is that the ardor for Thailand comes after a prolonged slump that began at the end of 1993 and sent prices down nearly 30 percent before they began to recover late last year.

The money that Western investors are using to back their high opinion of Thai shares has steepened the slope of the recovery. Since the start of the year, the benchmark SET index has risen by 5 percent. The market is no longer as cheap as it was, but the prevailing belief is that there is room for prices to move still higher.

"You had politics and inflation hitting the market," Sam Mahtani, an Asia fund manager at Foreign & Colonial Emerging Markets, said in summing up the last two dismal years. "We think the concerns were overdone."

Foreign & Colonial has put nearly 9 percent of its customers' emerging-market assets into Thailand, the second largest allocation after Brazil. The best prospects, he said, are brokerages, which should benefit from renewed interest in the market, and building companies, which can expect considerable business in the post-flood reconstruction.

"Some of the bigger companies are expected to report good earnings despite inflation and bank rates that are a little higher," said Elizabeth Morrissey of Kleiman International, an emerging-markets consultancy. "I think stocks will recover this year if the government sticks to its tight monetary policy to keep the economy from overheating."

Dominique Maire, who follows Thailand for UBS Securities, believes this will happen, even as signs accrue that the economy is weakening: "Although the Thai business cycle appears to have peaked and an array of credit restrictions are already in place, the central bank intends to retain a tight monetary stance well into 1996."

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WORLD ROUNDUP

Goydos Leads Hope

GOLF Paul Goydos, who nearly lost his PGA card last year, shot an 8-under-par 64 to lead the second round of the Bob Hope Classic by a stroke. Goydos' 11-under-par total gave him the first lead of his three years on the tour. One stroke back at 10 under were the first-round co-leaders, Brian Kamm and Mark Brooks, who shot 68s after opening rounds of 66. *(Reuters)*

2 Koreas Negotiating?

SOCCER North Korea has told the International Football Federation that it was willing to jointly host the 2002 World Cup with South Korea, a Seoul soccer official said Friday.

"North Korea faxed to FIFA twice, on January 8 and January 15 this year, saying it would like to co-host the 2002 World Cup with us," the official said. "FIFA told North Korea to discuss the matter directly with us. Now we are hoping they will contact us."

• The European Commission said Friday that the European soccer body UEFA had six weeks to end its transfer fee system and nationality restrictions or face fines.

The commission said in a statement that both practices, which were declared illegal in the so-called Bosman ruling of the European Court of Justice, violated European Union law barring agreements that restrict competition. *(Reuters)*

Maryland Files Suit

FOOTBALL The state of Maryland and the Maryland Stadium Authority have filed a $36 million federal antitrust suit against the National Football League and 29 of its 30 teams in an attempt to hasten the move of the Cleveland Browns to Baltimore for the start of the 1996 season. *(WP)*

•For the first time ever, Super Bowl play-by-play action will be broadcast in the Navajo language by an Arizona radio station owned by the Navajo nation. KTNN, the 50,000-watt AM station will broadcast the game Jan. 28 in Tempe, Arizona, to about 250,000 Navajo listeners, said Tazbah McCullah, the general manager. *(AP)*

Foreman Bout Off

BOXING The planned rematch between George Foreman and Michael Moorer on Feb. 29 in New York has been cancelled. *(AP)*

Team Moves Approved

HOCKEY The NHL Board of Governors has approved the sale of the Dallas Stars and the Winnipeg Jets, also clearing the Jets to move to Phoenix. *(AP)*

The Associated Press

Thomas Muster lying on the court Friday after injuring an ankle. He still won his match in straight sets.

Seles, Courier and Pain: All Three Exact a Toll

By Christopher Clarey
Special to the Herald Tribune

MELBOURNE — It was an occasion for Monica Seles to remind this city's tennis fans why she has won eight Grand Slam singles titles and Julie Halard-Decugis has won none. It was an occasion for Jim Courier to keep this city's tennis fans up very late and ultimately disappoint them by outlasting one of their own in five sets.

Above all, the theme of the fifth day of play at the Australian Open was pain.

At times, it appeared there would not be enough trainers to go around.

There on Court One was Richard Krajicek

AUSTRALIAN OPEN

stretched out with an injured lower back. There on the walkway leading to Court Two was Iva Majoli getting her aching ribs massaged. There on Court Three was Thomas Muster screaming in what turned out be only temporary agony with a twisted right ankle.

"So many things go through your mind when somebody goes down like that," said Muster's coach, Ronald Leitgeb. "All the plans. All the hopes. I was very worried."

Muster and Majoli would manage to reach the fourth round despite their aches and pains. Krajicek, the powerful, cherub-faced Dutchman seeded 11th, would not be so fortunate. Leading 5-4, 30-0 in the first set of his third-round match against the 30-year-old French qualifier, Jean-Philippe Fleurian, he lunged for a backhand volley and felt a twinge in his back. At 3-4 in the second, he lunged for another one and felt some thing more serious.

"I think I pinched a nerve," said Krajicek, who ended up retiring at 6-4, 3-6, 2-2. "Every time I moved my right foot, it was unbelievable pain, and I couldn't turn to my backhand."

For the injury-prone Krajicek, it was the latest in a demoralizing string of physical problems that first surfaced at this tournament in 1992 when he had to default before his semifinal match with an injured shoulder.

"Krajicek gets injured if he just thinks about playing tennis," said Andre Agassi.

That droll yet uncharitable comment was reflective of Agassi's prickly mood during and after his 4-6, 6-0, 6-2, 6-1 victory over an American qualifier, Steve Bryan, in the third round. After getting his third warning of the tournament and third fine for an audible obscenity on court, he used another audible obscenity to describe members of the media in his news conference, clearly irked by insinuations that he was far from top form.

"I'm still in the tournament," he said. "You guys will be questioning me all the way to the final."

No one was questioning Seles tonight, as she played tennis worthy of her résumé, regularly flirting with brilliance in her 7-5, 6-0 victory over Halard-Decugis. Her fourth-round opponent will be Naoko Sawamatsu of Japan, the No. 15 seed, who advanced in straight sets along with No. 3 Arantxa Sánchez Vicario, No. 6 Gabriela Sabatini, No. 7 Majoli, No. 9 Mary Joe Fernandez and No. 13 Chanda Rubin.

"It's like a machine in front of you," Halard-Decugis said of Seles. "It just keeps coming forward at you and coming forward at you. You have got to try and hold your own, and at the end it is just so much pressure."

Halard-Decugis pushed Seles to three sets in the quarterfinals here in 1993, the last year Seles played in this event. Like Seles, she thrives on pace and can blast winners from anywhere, but unlike Seles, she cannot do it on a consistent basis, which explains why she is ranked 44th.

She started strongly, breaking Seles in the opening game and holding that edge until Seles broke back in the eighth. Though she continued to match Seles bolt for bolt from the baseline, she would have only one more opportunity to make the match very interesting. It came at 5-5 with Seles serving, but Halard-Decugis let a 0-30 lead slip away and then double-faulted to lose her own serve and the set.

Seles was relentless after that, even chasing down a drop shot and coming up with a lunging forehand winner that calmed any lingering concerns about the condition of her strained groin.

"It's fine," said Seles, who is still receiving daily treatment. "I mean, I looked at Muster today, and he twisted his ankle and went on. So there are no limits, I guess, to how far you can stretch your body."

The third-seeded Muster, who has a reasonable chance to claim the world No. 1 ranking at this tournament, injured his ankle leading 4-3 in the second set against a Swedish qualifier, Nicklas Kulti. He injured it trying to cut back on the rubberized, hard-court surface after Kulti had slugged a backhand crosscourt.

Muster fell to the ground screaming in pain. Moments later, he hobbled to his chair, wincing as trainer Per Bastholt taped the ankle. Less than an hour later, Muster walked off court a 6-4, 7-6 (7-5), 6-4 winner with only the slightest hint of a limp and high hopes of being healthy for his fourth-round match against yet another Swede, Mikael Tillström, who beat Patrick McEnroe in four sets.

"Thomas twisted the ankle, but there was no ligament damage," Bastholt said. "It can cause a lot of pain at first, but it wasn't that serious."

THOSE who won without injuries included No. 5 seed Michael Chang, who has not lost a set in three matches, and Sweden's Jonas Bjorkman, who upset No. 15 seed Todd Martin of the United States, 6-3, 3-6, 6-3, 2-6, 6-4.

Martin's good friend Courier, the No. 8 seed, would fare better in his five-setter against Todd Woodbridge of Australia, winning, 6-3, 6-7 (2-7), 7-6 (7-3), 3-6, 8-6. The match on Center Court, finished at 1:15 in the morning after lasting four hours and 31 minutes. Courier won by shrugging off his own uneven play and an aggressive crowd. He served for the match at 5-3 in the fifth, squandering one match point before being broken. He squandered two more with Woodbridge serving at 5-6 but he finally broke through when Woodbridge sent a forehand long in the 14th game.

"That's the best I've seen Todd play," Courier said of his friend, who was recently married. "If his game has come that far since he's been married, maybe I should look for a wife."

A World Cup First for Swiss Skier

Street Takes Home 2d Downhill Trophy of Season

The Associated Press

VEYSONNAZ, Switzerland — Bruno Kernen of Switzerland won his first World Cup title Friday, edging his teammate William Besse by a hundredth of a second in a downhill as Swiss skiers took the top four places.

Kernen, 23, who started 30th, completed the icy 3,500-meter Bear Course in 2 minutes, 3.14 seconds. Daniel Mahrer was third in 2:03.39 and Xavier Gigandet followed in 2:03.60 to give the Swiss the first four-place sweep in a World Cup race since Italy did it in a slalom in 1990.

Fifth at Veysonnaz in 1993, the 23-year-old Kernen was tipped to become the alpine nation's next Pirmin Zurbriggen.

Later that same year, however, he tore knee ligaments and has struggled to regain the form predicted of him ever since.

"I've had two years of hell, I never thought it would be so difficult to come back," Kernen said.

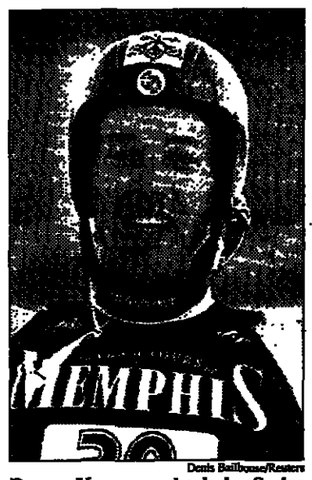
"This is a great feeling. I never thought I could win this race. I just hope I can have this feeling again."

He will get another opportunity on Saturday with the second of back-to-back downhills which will be followed by a slalom on Sunday.

All three races were originally scheduled for Wengen but were moved to Veysonnaz due to a lack of snow and mild temperatures.

Luc Alphand of France, the season downhill leader with 352 points, finished 22nd in 2:04.63 and Günther Mader of Austria, second with 250 points, was 25th in 2:04.74.

In World Cup women's downhill races in Cortina d'Ampezzo, Italy, Picabo Street, the first American woman ever to win the World Cup downhill title, beat Pernilla Wiberg of Sweden by 0.58 seconds Friday for her second downhill victory of the season.



Denis Balibouse/Reuters

Bruno Kernen, who led a Swiss sweep of the four top places.

"No doubt this is my lucky course. I love it," said Street, 24, of Sun Valley, Idaho, who began her streak of five straight downhill victories last year at Cortina.

Street, who completed the 2,490-meter course in 1 minute, 28.84 seconds, won earlier this season in Lake Louise, Alberta, and finished third at St. Anton, Austria.

"This morning I said to my mother that I was finding it difficult to get motivated here," said Street, the Olympic silver medalist.

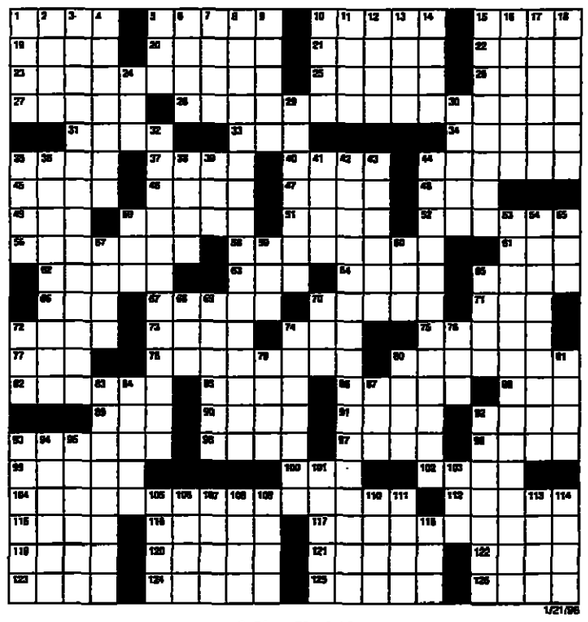
"Once you have reached the top, you find the picture is completely different. You have a sort of a wide-angle view. It was much harder to win here than last year," she said.

Wiberg, an Olympic and world giant slalom champion, had her best downhill finish since 1994, while Isolde Kostner of Italy was third in 1:29.45 and teammate Barbara Merlin fourth in 1:29.57.

The World Cup leader, Martina Ertl, a giant slalom specialist, was a distant 19th, but still stayed on top of the standings with 784 points. Anita Wachter of Austria, who gained two points for 29th place, is second with 717.

Another downhill is scheduled Saturday, with a giant slalom set for Sunday.

CROSSWORD



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ACROSS
1 Apples, informally
5 Short intakes
10 Stringent
15 Diplomacy
19 Noted Mideast diplomat
20 Red as ——
21 Silk-stockings
22 First name in folk
23 1947 adventure sequel
25 "I Can Get —— You Wholesale"
26 Part of a knight's insignia
27 First president of Bolivia
28 AT A
31 Vingt——
33 Masters subject
34 Like bell-bottoms
35 Five-time Rose Bowl winner
37 Coleridge's "sacred river"
40 Poll amts.
44 Actor Markham et al.
45 Leather-to-be
46 It may be rigged
47 Boodle
48 First name in despotism
49 "—— Slew-Foot" (1961 country hit)
50 Licentious one
51 Melville novel
52 Endangered swimmer
56 Recurring marine phenomenon
58 I and II Timothy, e.g.
61 A.C.C. school
62 Use an S.O.S.
63 Holiday abroad
64 Port intro
65 Juillet times
66 Calendar abbr.
67 Marlon Brando's birthplace
70 Lloyd George contemporary
71 Orch. group
72 Loading site
73 Opening between montañas
74 Actress Courteney
75 Egg white
77 Part of XXX
78 Peevish
80 Des ——
82 Base
85 Opposite of a wrinkle remover?
86 Fix, as the sails
88 Moo goo —— pan
89 "Glass Bell" writer
90 Whaler's direction
91 Noted paperback publisher
92 It builds int.
93 Broadcast preparation
96 To be, in old New Orleans
97 Hogshead
98 Flyspeck
99 Beethoven dedicatee
100 Slimeball
102 Ending with road
104 AFORE-THOUGHT
112 Late Ford
115 "Pogo" character Wiley ——
116 "L.A. Law" lawyer
117 Most gracious
119 Part of C.C.U.
120 Gin drink
121 "You're —— talk!"
122 Suffix with Dixie
123 Children's author Howard
124 Lucy's colorer
125 Plus
126 "—— silly question . . ."

DOWN
1 Grunt's chow
2 Arab name part
3 OUT TIME
4 Show contempt for
5 Ref. book
6 "Take ——" ("Congrats!")
7 Evening at La Scala
8 IT'S THAT COUNTS
9 Franklin, for one
10 Murder mystery suspect
11 Start of some cloud names
12 Jazz phrase
13 Hold back
14 Goethe title
15 Island south of Wilson's Promontory
16 Stephen Dedalus, in a Joyce title
17 Parsing subject
18 Mel and family
24 Coup de —— (gunshot): Fr.
29 Hero's tale
30 Work of Horace
32 BRAND
35 Vote —— down (decide by ballot)
36 Not earthbound
38 After 11 P.M.
39 Con Ed watchdog
41 Nav. officers
42 AND A FOR A
43 Hot
44 CUFF
50 Brooklyn sch.
53 FOUR OF THE EARTH
54 Get hysterical
55 Isn't now
57 Get the show on the road
59 Hailstone size
60 Michael Costa oratorio
65 Morales of "La Bamba"
68 West of Brooklyn
69 In —— (bet up)
70 Actor Chaney
72 Grp. for Mr. Novak
74 Actress Barbara
76 Don't keep up
79 Role for Gielgud
80 Cons' cons
81 Locus
83 Cordial
84 Closet items
87 "The Loco-Motion" girl
92 Whence the line "Let freedom ring!"
93 Service component
94 It's named for the Duke of York
95 Seed bearer
101 "The —— Hour" (50's drama series)
103 Start of some Israeli place names
105 Make liquid, in a way
106 First name in courtroom drama
107 "Come ——!"
108 Huckleberry or Mickey
109 Prefix with phone
110 Signals
111 Collectible illustrator
113 Author Dinesen
114 Singer James
118 Dram of liquor, in Britain

Solution to Puzzle of Jan. 13-14

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Voting Pad

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Waiting for a Ticket to the NBA

Vantage Point/**Ian Thomsen**

International Herald Tribune

IF ALL goes as predicted, Arijan Komazec will be the next European to emigrate to the National Basketball Association. He is Croatia's last potential star from the dreamy Toni Kukoc generation, but this farewell season has not been as he imagined. It seems now that he will leave without seeing Paris in the springtime.

His club, Buckler Bologna of Italy, went down in overtime Thursday to the remarkable French team of Pau-Orthez, 74-69. Based on its showing in the McDonald's Championship final in October, Bologna had been favored to reach the European Final Four at Paris in April. But Bologna (4-6) and Komazec now find themselves lingering seventh in their eight-team group, with only four games remaining. They will probably have to win them all to reach the top four in their group and advance to the quarterfinal round in March.

The season went bad when Orlando Woolridge, their 36-year-old, former NBA power forward, broke a hand. Woolridge could have been the surprise MVP of Europe this season. His rebounding and energy gave Bologna something like an NBA vitality, a joy for the game that is rarely felt in Europe.

Without him Bologna has stopped running, lost four out of five, and, oddly, defined Komazec's value: He is an excellent all-around shooting guard at 6 feet 7 inches (2.01 meters), the second-leading scorer in the European Championship at 26 points per game, but he fails the ultimate Kukoc test. Like most in his position, Komazec can't win games by himself.

Komazec, who turns 26 on Tuesday, shouldn't worry too much about what he can't do. Just three years ago he was the subject of rumors while playing for Panathinaikos — that he was suffering from depression, that he had attempted suicide twice.

"That's completely false," Komazec told FIBA Basketball magazine two years ago. "The one thing that's true is that I was stuck in a very stressful situation. That left me depressed and powerless. Now, thankfully, the environment has changed and I feel great."

"It was shocking for me when I heard about the rumors," says his San Marino-based agent, Luciano Capicchioni. "I even thought, maybe he is crazy — I was hearing about it so much. They were saying he wouldn't get on the court when he was told, he would refuse to play, he was acting very strange."

Capicchioni, who invited Komazec to live with him for a month in the summer of 1993, said: "He is more normal than me."

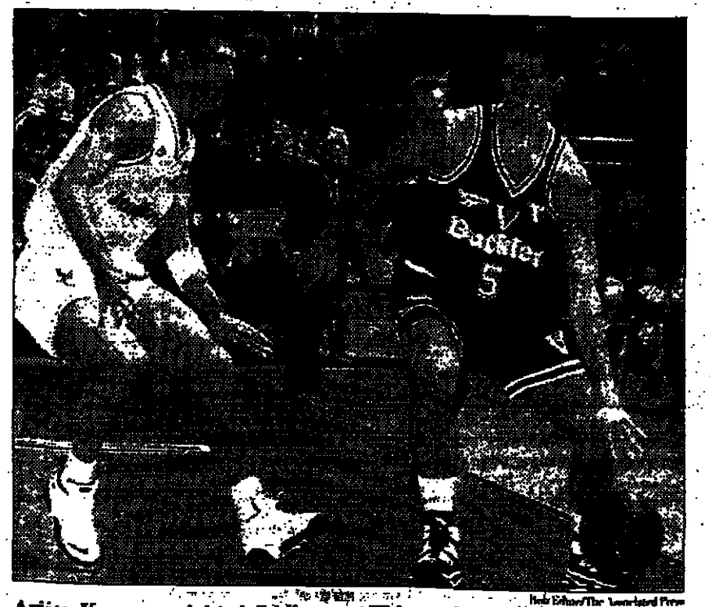
Komazec found work in 1993-94 with second-division Cagiva Varese of Italy, which he led to promotion with 31.6 points per game. As if to disprove the rumors, he was offered almost double his salary to return to Panathinaikos. Komazec stayed at Varese, leading the Italian first division with 34.8 points per game.

The New Jersey Nets were outbid for him last year by Bologna, which is paying Komazec $1 million this season, according to the club's president, Alfredo Cazzola. Komazec can escape his two-year contract with Bologna in May, but Capicchioni says that the NBA — most likely the Nets, who have maintained contact — must come up with a long-term contract of $2 million annually with an escape clause after three years.

If the Nets don't like it, at least they'll be used to it. They were arguing over a contract with Drazen Petrovic when the Croatian guard was killed in a car accident in 1993. Komazec, his backup in the 1992 Olympics, has taken over for Petrovic on the national team, and now he might pick up for him in New Jersey.

"The question was not of saying no to the club of Drazen," Komazec says. "Their offer was not as good, and I wanted to spend more time playing with the best European team. I wanted to play for a very good team that can be a legitimate candidate to win the European title, and also one where I don't have to do all the work."

Bologna probably won't win the title, and Komazec is doing most of the work. Woolridge played six minutes Thursday; the injury is to his shooting hand. Komazec, meanwhile, is shooting 70 percent from inside the 3-point line. But he came up with only 17 points Thursday; his team recovered from a nine-point deficit to force overtime, only to be finished off by a former NBA prospect, Antoine Rigaudeau (28 points).



Reda Esbaa/The Associated Press

Arijan Komazec, right, dribbling past Thierry Gadou of Pau-Orthez.

SPORTS

UCLA Freshman Overwhelms Arizona State

Compiled by Our Staff From Dispatches

Jelani McCoy hit a career high and then kept elevating, towering over the Arizona State Sun Devils to lead UCLA to a 87-73 victory.

It was a one-freshman basketball performance that included at least five power slam dunks, 10 rebounds, two blocked shots, three steals and a

COLLEGE BASKETBALL

team-and-career high 21 points on 10-of-13 shooting.

"Jelani killed them," said Kris Johnson, a forward who chipped in 10 points and nine rebounds of his own against the outsized Sun Devils.

Time and again, when the cold-shooting Sun Devils scrabbled together a counterattack to get back in the game, McCoy scooped up a loose ball, found an alley-oop pass or burst past his man and got a Bruin basket.

UCLA (12-3, 5-0 in conference play) won its 10th successive game, and its 15th Pac-10 game in a row, dating back to last season.

This was McCoy's fifth consecutive game in double-figure rebounding, and his third in four games when he had double figures in points and rebounds.

Arizona State (5-7, 0-4), with no starter taller than 6-foot-8 (2 meters), got a combined 16 rebounds and 55 points from two wingmen — Ron Riley had 29 and Jeremy Veal 26 — but no other Sun Devil had more than seven points or five rebounds.

Memphis 84, Arkansas 72 Rodney Newsom and Chad Allen both came off the bench and became stars, leading the Tigers past Arkansas for their 28th straight victory at home.

Newsom made seven of 12 3-pointers and scored 23 points, and also had eight rebounds. Allen had 20 points and nine rebounds, including eight on the offensive end.

"We were ready and played with chemistry," Memphis' coach, Larry Finch, said. "I can't say enough about the way Chad Allen and Rodney Newsom played. Coming into the game, our bench wasn't scoring a lot, but that all changed."

Lorenzen Wright had 20 points as Memphis (12-2) stopped the Razorbacks' four-game winning streak in the series.

"Chad Allen was the big difference in the game; Lorenzen is going to get his, but if anyone gave them a chance to win, it was Allen," Arkansas coach's, Nolan Richardson, said.

No. 11 Virginia Tech 63, Dayton 62 Ace Custis scored 17 points, including a free throw with 1:25 left that produced the final point of the game. Dayton had a last chance, but Coby Turner missed a double-pump jump shot from just inside the foul line with four seconds left.

Damon Watlington scored 13 points and passed the 1,000-point career mark for host Virginia Tech (11-1, 4-0 Atlantic 10).

Ryan Perryman had 17 for Dayton.

No. 15 Utah 86, Colorado State 82 Utah overcame an 80-77 deficit near the end of double overtime at Salt Lake City behind Keith Van Horn.

Van Horn made two free throws and a jump shot, then passed to Ben Melmeth, who dunked for a three-point play.

Van Horn had 22 points and 11 rebounds for the Utes (13-3, 5-1 Western Athletic Conference).

No. 16 Iowa 82, Illinois 79 Chris Kingsbury, benched at the beginning of the game, scored 18 points and led Iowa in the last two minutes.

Coach Tom Davis, disappointed in the Hawkeyes' loss to Wisconsin last Saturday, pulled Kingsbury and two others from the starting lineup.

Kingsbury made a 3-pointer with 1:42 left for a 78-77 lead and added two foul shots with 21 seconds to go. Jess Settles scored 19 for host Iowa (14-3, 3-2 Big Ten).

Illinois (11-6, 0-5) is off to its worst start in coach Lou Henson's 21 seasons.

No. 18 Arizona 93, Southern California 81 Ben Davis, making his first start at center for Arizona, had 21 points and 11 rebounds.

Davis replaced Joseph Blair, who has been ruled academically ineligible. Corey Williams, another replacement, had 18 points and 11 rebounds for the host Wildcats (12-3, 2-2 Pac-10). *(LAT, AP)*

icanAir

Brazil's Flavio Conceicao, left, colliding with U.S. forward Joe-Max Moore.

U.S. Hands Brazil a Big Victory

Reuters

Brazil, shut down for much of the game by a tough American defense, beat the United States, 1-0, on an own-goal by Marcello Balboa in the 80th minute of the Concacaf Gold Cup semifinal in Anaheim, California.

Eric Wynalda, who needed one goal to become the all-time leading scorer for the U.S. national team, missed a good chance just before halftime Thursday that would have given the Americans the upper hand.

It was a disappointing result for the U.S. team, which had hoped to avenge two recent 1-0 defeats to Brazil, which was using its youthful under-23 team.

The current world champion had beaten the U.S. team in the second round of the World Cup in 1994 and in the semifinal of the Copa America last September.

In Sunday's final, Brazil will play the winners of the Mexico-Guatemala semifinal Friday in San Diego.

Bulls Win 10th Straight, Holding Off Raptors

The Associated Press

The San Antonio Spurs and the Houston Rockets let lesser teams get too close to them and paid for it. The Chicago Bulls made no such mistake.

The Bulls led by just three points, 92-89, Thursday night after the Toronto Raptors' star rookie, Damon

NBA ROUNDUP

Stoudamire, hit a 3-pointer with 16 seconds left.

But the Raptors' Luc Longley missed two free throws and the Bulls' tough defense on an inbounds play prevented the game from being sent into overtime and gave the Bulls their 10th victory in a row.

"I thought we showed a lot of character," said Michael Jordan, who scored 15 of his 38 points in the last quarter. "We held them off down the stretch."

The Spurs couldn't hold off the Detroit Pistons, falling, 100-98, when Grant Hill drove past David Robinson for the winning lay-up with 17 seconds left.

And the Rockets led by two with just under five minutes to play, but the Boston Celtics hit several clutch outside shots to win, 108-106. Hakeem Olajuwon had a season-high 51 points, but Houston was playing without the injured Robert Horry, Mario Elie and Sam Cassell.

Stoudamire led the Raptors with 26 points and 12 assists, giving him four consecutive double-doubles and 43 assists in his last four games.

Pistons 100, Spurs 98 Hill's lay-up gave Detroit its fifth straight home victory.

Allan Houston led the Pistons with 28 points, while Otis Thorpe had 25 and Hill 19 points, eight rebounds and eight assists. Robinson had 37 for the Spurs, and Vinny Del Negro scored 18.

Celtics 108, Rockets 106 Dee Brown's two free throws provided the final margin in Boston's victory at the Summit. Olajuwon, who fell just short of his career high of 52 points, missed a shot that could have forced overtime with 2.1 seconds left.

Bucks 100, Warriors 98 Milwaukee won its fifth straight at home and third in a row overall behind Vin Baker's 24 points. Baker converted a crucial three-point play in the closing minutes to seal the victory after the Warriors closed to 99-96 on Latrell Sprewell's bucket with 10 seconds left.

Glenn Robinson finished with 22 points for the winners. Chris Mullin led Golden State with 20.

Cavaliers 98, Grizzlies 90 Terrell Brandon scored 29 points and hit four 3-pointers as Cleveland defeated Vancouver. Each team was 10-of-19 from 3-point range, a record for the expansion Grizzlies.

Bobby Phills had 21, Dan Majerle 18 and Chris Mills 14 points for the visiting Cavaliers. Greg Anthony led Vancouver with 27 points.

Kings 105, Blazers 100 Mitch Richmond scored 14 of his 38 points in the fourth quarter, leading Sacramento past Portland. Reserve Tyrone Corbin had 10 of his 14 points down the stretch as the Kings snapped Portland's four-game winning streak. The Blazers played without the injured Rod Strickland and Clifford Robinson, their two top scorers.

SCOREBOARD

TENNIS

AUSTRALIAN OPEN

MEN'S SINGLES, THIRD ROUND

Michael Chang (5), U.S., def. Guillaume Raoux, France, 6-2, 6-2, 7-6 (8-6); Mikael Tillstrom, Sweden, def. Patrick McEnroe, U.S., 7-6, 6-4, 7-6 (7-5), 6-3; Jean-Philippe Fleurian, France, def. Richard Krajicek (11), Netherlands, 4-6, 6-3, 2-2, ret.; Marcos Ondruska, South Africa, def. Karol Kucera, Slovakia, 6-2, 4-6, 6-3, 6-0.

Thomas Muster (3), Austria, def. Nicklas Kulti, Sweden, 6-4, 7-6 (11-9), 6-4; Andre Agassi (2), U.S., def. Steve Bryan, U.S., 4-6, 6-0, 6-2, 6-1; Jonas Bjorkman, Sweden, def. Todd Martin (15), U.S., 6-3, 3-6, 6-3, 2-6, 6-4; Jim Courier (8), U.S., def. Todd Woodbridge, Australia, 6-3, 6-7 (7-2), 7-6 (7-3), 3-6, 8-6.

MEN'S DOUBLES, SECOND ROUND

Jacco Eltingh and Paul Haarhuis (2), Netherlands, def. Martin Sinner, Germany, and Joost Winnink, Netherlands, 6-3, 6-3; Mark Knowles, Bahamas, and Daniel Nestor (3), Canada, def. Leonardo Lavalle, Mexico, and Emilio Sanchez, Spain, 6-2, 6-4; Yevgeny Kafelnikov, Russia, and Wayne Ferreira (13), South Africa, def. Trevor Kronemann, U.S., and David MacPherson, Australia, 6-4, 6-3.

Martin Damm, Czech Republic, and Jim Grabb, U.S., def. Mark Philippoussis and Patrick Rafter (16), Australia, forfeit; Sebastien Lareau, Canada, and Alex O'Brien, U.S., def. Luis Lobo, Argentina, and Javier Sanchez (10), Spain, 7-5, 6-2; Marc Gaelfner and David Prinosil, Germany, def. Byron Black, Zimbabwe, and Grant Connell (6), Canada, 3-6, 7-6 (7-5), 8-6.

Guy Forget, France, and Jakub Hlasek (12), Switzerland, def. Rikard Bergh and David Ekerot, Sweden, 6-4, 6-2; Michael Tebbutt and Peter Tramacchi, Australia, def. Patrick McEnroe, U.S., and Sandon Stolle (8), Australia, 6-4, 6-4; Todd Woodbridge and Mark Woodforde (1), Australia, def. Jeff Tarango and Daniel Vacek, Czech Republic, 6-4, 6-4.

WOMEN'S SINGLES, THIRD ROUND

Arantxa Sanchez Vicario (2), Spain, def. Sandra Cacic, U.S., 6-3, 6-3; Chanda Rubin (13), U.S., def. Laurence Courtois, Belgium, 6-0, 6-2; Naoko Sawamatsu (15), Japan, def. Ai Sugiyama, Japan, 6-4, 6-0; Gabriela Sabatini (6), Argentina, def. Kimiko Kachwendt, Germany, 6-1, 6-2.

Mary Joe Fernandez (9), U.S., def. Nicole Arendt, U.S., 6-1, 6-1; Sabine Appelmans, Belgium, def. Tami Whitlinger Jones, U.S., 6-3, 6-2; Iva Majoli (7), Croatia, def. Alexandra Fusai, France, 6-2, 6-4; Monica Seles (4), U.S., def. Julie Halard-Decugis, France, 7-5, 6-0.

WOMEN'S DOUBLES, SECOND ROUND

Amanda Coetzer and Marianne De Swardt (13), South Africa, def. Alexia Dechaume-Balleret and Sandrine Testud, France, 6-1, 6-2; Yayuk Basuki, Indonesia, and Caroline Vis, Netherlands, def. Mitio Sueki and Yuka Yoshida, Japan, 6-4, 6-2; Kristie Boogert, Netherlands, and Nicole Bradtke (14), Australia, def. Petra Schwarz, Austria, and Katerina Studenikova, Slovakia, 4-6, retired.

Nanne Dahlman, Finland, and Clare Wood, Britain, def. Brenda Schultz-McCarthy, Netherlands, and Rennae Stubbs (6), Australia, 7-6 (7-4), 6-3; Gigi Fernandez, U.S., and Natasha Zvereva (1), Belarus, def. Annabel Ellwood and Nicole Pratt, Australia, 2-6, 6-1, 6-1; Meredith McGrath, U.S., and Larisa Neiland (2), Latvia, def. Amy Frazier and Kimberly Po, U.S., 6-4, 6-3; Conchita Martinez, Spain, and Patricia Tarabini (9), Argentina, def. Rachel McQuillan, Australia, and Claudia Porwik, Germany, 6-3, 7-6 (7-3).

Irina Spirlea, Romania, and Linda Wild (15), U.S., def. Kerry-Anne Guse, Australia, and Patricia Hy-Boulais, Canada, 7-5, 7-6 (7-5); Nicole Arendt, U.S., and Manon Bollegraf (4), Netherlands, def. Kyoko Nagatsuka and Ai Sugiyama, Japan, forfeit; Lindsay Davenport and Mary Joe Fernandez (3), U.S., def. Sandra Cacic, U.S., 6-3, 6-3; Naoko Sawamatsu (15), Japan, def. Ai Sugiyama, Japan, 6-4, 6-0; Gabriela Sabatini (6), Argentina, def. Kimiko Kachwendt, Germany, 6-1, 6-2.

Mary Joe Fernandez (9), U.S., def. Nicole Arendt, U.S., 6-1, 6-1; Sabine Appelmans, Belgium, def. Tami Whitlinger Jones, U.S., 6-3, 6-2; Iva Majoli (7), Croatia, def. Alexandra Fusai, France, 6-2, 6-4; Monica Seles (4), U.S., def. Julie Halard-Decugis, France, 7-5, 6-0.

WOMEN'S DOUBLES, SECOND ROUND

Amanda Coetzer and Marianne De Swardt (13), South Africa, def. Alexia Dechaume-Balleret and Sandrine Testud, France, 6-1, 6-2; Yayuk Basuki, Indonesia, and Caroline Vis, Netherlands, def. Mitio Sueki and Yuka Yoshida, Japan, 6-4, 6-2; Kristie Boogert, Netherlands, and Nicole Bradtke (14), Australia, def. Petra Schwarz, Austria, and Katerina Studenikova, Slovakia, 4-6, retired.

Nanne Dahlman, Finland, and Clare Wood, Britain, def. Brenda Schultz-McCarthy, Netherlands, and Rennae Stubbs (6), Australia, 7-6 (7-4), 6-3; Gigi Fernandez, U.S., and Natasha Zvereva (1), Belarus, def. Annabel Ellwood and Nicole Pratt, Australia, 2-6, 6-1, 6-1; Meredith McGrath, U.S., and Larisa Neiland (2), Latvia, def. Amy Frazier and Kimberly Po, U.S., 6-4, 6-3; Conchita Martinez, Spain, and Patricia Tarabini (9), Argentina, def. Rachel McQuillan, Australia, and Claudia Porwik, Germany, 6-3, 7-6 (7-3).

Irina Spirlea, Romania, and Linda Wild (15), U.S., def. Kerry-Anne Guse, Australia, and Patricia Hy-Boulais, Canada, 7-5, 7-6 (7-5); Nicole Arendt, U.S., and Manon Bollegraf (4), Netherlands, def. Kyoko Nagatsuka and Ai Sugiyama, Japan, forfeit; Lindsay Davenport and Mary Joe Fernandez (3), U.S., def. Maria Lindstrom and Maria Strandlund, Sweden, 7-6 (7-5), 6-3.

MIXED DOUBLES, FIRST ROUND

John-Laffnie de Jager, South Africa, and Jill Hetherington, Canada, def. David Adams, South Africa, and Wilfred Probst, Germany, 6-0, 6-2; Mark Kaul and Lori McNeil, U.S., def. Guillaume Raoux and Alexia Dechaume-Balleret, France, 6-4, 6-4; Ellis Ferreira, South Africa, and Helena Sukova, Czech Republic, def. Emilio Sanchez and Arantxa Sanchez Vicario (6), Spain, 7-5, 6-2.

Daniel Nestor and Rene Simpson, Canada, def. Rick Leach, U.S., and Rennae Stubbs (5), Australia, 7-5, 4-2; Mark Knowles, Bahamas, and Lisa Raymond (4), U.S., def. Libor Pimek, Belgium, and Laura Golarsa, Italy, 6-7, 4-4, 8-6; Trevor Kronemann, U.S., and Manon Bollegraf, Netherlands, def. Javier Frana, Argentina, and Nicole Bradtke, Australia, 7-5, 4-6, 6-4.

Piet Norval, S. Africa, and Els Callens, Belgium, def. Menno Oosting, Netherlands, and Kristine Radford, Australia, 6-3, 6-7 (3-7), 6-2; Matt Lucena and Meredith McGrath, U.S., def. Scott Draper and Elizabeth Smylie, Australia, 4-6, 7-6 (9-7), 7-5; Cyril Suk, Czech Rep., and Gigi Fernandez (2), U.S., def. Jim Grabb and Linda Wild, U.S., 5-7, 7-5, 6-2.

BASKETBALL

NBA STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Orlando	28	9	.757	—
New York	23	13	.639	4½
Washington	18	19	.486	10
Miami	17	19	.472	10½
New Jersey	15	21	.417	12½
Boston	15	22	.405	13
Philadelphia	7	28	.200	20

CENTRAL DIVISION

Chicago	33	3	.917	—
Indiana	22	14	.611	11
Cleveland	20	16	.555	13
Detroit	19	16	.543	13½
Atlanta	19	17	.528	14
Charlotte	17	19	.472	16
Milwaukee	15	22	.405	18½
Toronto	10	28	.263	24

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
San Antonio	25	10	.714	—
Houston	27	12	.692	—
Utah	22	13	.629	3
Denver	16	22	.421	10½
Dallas	11	24	.314	14
Minnesota	10	26	.278	15½
Vancouver	7	30	.189	19

PACIFIC DIVISION

Seattle	26	10	.722	—
Sacramento	21	13	.618	4
L.A. Lakers	20	17	.540	6½
Portland	18	19	.486	8½
Golden State	16	22	.421	11
Phoenix	14	20	.412	11
L.A. Clippers	15	22	.405	11½

THURSDAY'S RESULTS

Chicago	21	17	29	25—	92
Toronto	20	25	19	25—	89

C: Pippen 6-16 1-5 16; Jordan 14-28 6-8 38. T: Massenburg 6-9 5-5 17; Stoudamire 11-22 1-2 26. Rebounds—Chicago 47 (Rodman 13), Toronto 50 (Massenburg 8). Assists—Chicago 17 (Pippen, Rodman 4), Toronto 18 (Stoudamire 12).

San Antonio	26	29	19	24—	98
Detroit	19	31	19	31—	100

S.A.: Robinson 11-25 15-18 37; Del Negro 8-12 0-0 18. D: Thorpe 12-21 1-2 25; Houston 12-19 3-4 28. Rebounds—San Antonio 45 (Pardue 14), Detroit 56 (Thorpe 12). Assists—San Antonio 26 (Johnson 7), Detroit 23 (Hill, Houston 8).

Golden State	26	24	24	22—	96
Milwaukee	22	29	28	29—	108

G.S.: Sprewell 7-22 3-4 17; Mullin 8-8 2-2 20. M: Baker 10-19 4-6 24; Robinson 10-21 2-5 22. Rebounds—Golden State 45 (Smith 9), Milwaukee 54 (Robinson 11). Assists—Golden State 28 (Sprewell 9), Milwaukee 23 (Mayberry 6).

Boston	39	28	17	24—	108
Houston	23	29	32	20—	106

B: Fox 8-12 0-0 16. Radja 9-17 5-7 23. H: Olajuwon 20-37 11-14 51; Drexler 7-15 5-6 21. Rebounds—Boston 54 (Radja 8), Houston 51 (Olajuwon 14). Assists—Boston 31 (Fox 9), Houston 21 (Drexler 6).

Cleveland	21	27	28	22—	98
Vancouver	24	14	39	23—	90

C: Phills 7-13 3-4 19; Brandon 11-18 3-3 29. V: Reeves 6-10 5-6 17; Anthony 8-16 5-7 27. Rebounds—Cleveland 39 (Cage 10), Vancouver 43 (Reeves 13). Assists—Cleveland 21 (Brandon 7), Vancouver 22 (B.Edwards 8).

Portland	19	29	21	31—	100
Sacramento	32	17	21	35—	105

P: McKie 9-17 0-1 18; Sabonis 4-12 6-10 15. S: B.Grant 7-16 5-6 19; Richmond 10-23 15-15 38. Rebounds—Portland 58 (McKie 8), Sacramento 47 (Polynice 16). Assists—Portland 15 (J.Robinson 5), Sacramento 24 (Edney 9).

TOP 25 COLLEGE RESULTS

How the top 25 teams in The Associated Press' college basketball poll fared Thursday: 9, Memphis (12-2) beat Arkansas 84-72. Next at Marquette, Saturday; 11, Virginia Tech (11-1) beat Dayton 63-62. Next at St.Bonaventure, Monday; 13, UCLA (12-3) beat Arizona State 87-73. Next at No. 18 Arizona, Saturday; 15, Utah (13-3) beat Colorado State 86-82, 2OT. Next vs. Wyoming, Saturday; 16, Iowa (14-3) beat Illinois 83-79. Next at Michigan State, Saturday; 18, Arizona (12-3) beat Southern California 93-81. Next vs. No. 13 UCLA, Saturday.

MAJOR COLLEGE SCORES

THURSDAY'S RESULTS

Air Force 92, Hawaii 82
Brigham Young 84, Wyoming 75
California 70, Oregon St. 52
Davidson 56, N.C. Charlotte 47
Duke 71, N. Carolina St. 70
Fresno St. 79, San Diego St. 67
Marshall 91, West Virginia 87
Stanford 94, Oregon 74

EUROPEAN CLUBS' CHAMPIONSHIP

SEMIFINALS

GROUP A

Olympiakos 72, Ulkerspor 60
CSKA Moscow 81, Unicaja Malaga 67
Benetton Treviso 95, Olympique Antibes 84

GROUP B

Maccabi Tel Aviv 94, Benfica 82
Panathinaikos 93, Cibona Zagreb 82
Pau-Orthez 74, Bologna 69

SOCCER

SPANISH CUP

FOURTH ROUND, SECOND LEG

Real Madrid 2, Espanyol 1

CONCACAF GOLD CUP

SEMIFINAL

Brazil 1, United States 0

AFRICAN NATIONS CUP

FIRST ROUND

Cameroon 2, Egypt 1
Ghana 2, Tunisia 1

SKIING

WORLD CUP RESULTS

MEN'S DOWNHILL

Results Friday of a men's World Cup downhill in Wengen, Switzerland on the 3,500-meter Bear Course with slider, country and time: 1, Bruno Kernen, Switzerland, 2 minutes, 3.14 seconds; 2, William Besse, Switzerland, 2:03.15; 3, Daniel Mahrer, Switzerland, 2:03.39; 4, Xavier Gigandet, Switzerland, 2:03.60; 5, Brian Stemmle, Canada, 2:03.73; 6, Kyle Rasmussen, U.S., 2:03.83; 7, Atle Skaardal, Norway, 2:03.86; 8, Patrick Ortlieb, Austria, 2:03.96; 9, Werner Franz, Austria, 2:04.02; 10, Stefan Krauss, Germany, 2:04.08.

Downhill Standings (After 6 races): 1, Luc Alphand, France, 352 points; 2, Günther Mader, Austria, 250; 3, Patrick Ortlieb, 229; 4, Lasse Kjus, Norway, 225; (tie) Xavier Gigandet, Switzerland, 225; 6, Bruno Kernen, 175; 7, Roland Assinger, Austria, 146; 8, Werner Perathoner, Italy, 138; 9, Peter Runggaldier, Italy, 135; 10, Atle Skaardal, Norway, 126.

Overall Standings (After 22 races): 1, Lasse Kjus, 956; 2, Michael Von Grünigen, Switzerland, 690; 3, Alberto Tomba, Italy, 616; 4, Gunther Mader, 575; 5, Hans Knauss, Austria, 562; 6, Mario Reiter, Austria, 433; 7, Urs Kaelin, Switzerland, 421; 8, Fredrik Nyberg, Sweden, 420; 9, Jure Kosir, Slovenia, 401; 10, Luc Alphand, France, 388.

WOMEN'S DOWNHILL

Results Friday of a women's World Cup downhill in Cortina d'Ampezzo, Italy on the 2,480-meter Olimpia Tofana course with slider, country and time: 1, Picabo Street, U.S., 1 minutes, 28.84 seconds; 2, Pernilla Wiberg, Sweden, 1:29.42; 3, Isolde Kostner, Italy, 1:29.45; 4, Barbara Merlin, Italy, 1:29.57; 5, Ingrid Stoeckl, Austria, 1:29.91; 6, Alexandra Meissnitzer, Austria, 1:29.92; 7, Warvara Zelenskaja, Russia, 1:29.97; 8, Katja Seizinger, Germany, 1:29.99; 9, Nathalie Bouvier, France, 1:30.25; 10, Blanca Perez, Italy, 1:30.28.

Downhill Standings (After 4 races): 1, Picabo Street, 300 points; 2, Katja Seizinger, Germany, 212; 3, Alexandra Meissnitzer, 206; 4, Michaela Dorfmeister, Austria, 174; 5, Warvara Zelenskaja, 160; 6, Heidi Zurbriggen, Switzerland, 147; 7, Isolde Kostner, 145; 8, Hilary Lindh, Juneau, Alaska, 128; 9, Renate Goetschl, Austria, 124; 10, Pernilla Wiberg, Sweden, 121.

Overall Standings: 1, Martina Ertl, Germany, 784; 2, Anita Wachter, Austria, 717; 3, Katja Seizinger, 709; 4, Alexandra Meissnitzer, 603; 5, Ertl Eder, Austria, 520; 6, Michaela Dorfmeister, 477; 7, Picabo Street, 428; 8, Pernilla Wiberg, 396; 9, Marianne Kjorstad, Norway, 381; 10, Urska Hrovat, Slovenia, 356.

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

NEW YORK—Agreed to terms with Jim Leyritz, catcher, on 2-year contract, and Andy Croghan, pitcher, on 1-year contract.

TEXAS—Agreed to terms with Mark Brandenburg, Chris Curtis, Jeff Davis, Kerry Lacy, Danny Patterson, Tim Rumer, and Danny Smith, pitchers, and Terrell Lowery, outfielder, on 1-year contracts. Agreed to terms with Scott Bryant, outfielder, on minor-league contract.

NATIONAL LEAGUE

NEW YORK—Traded Aaron Ledesma, infielder, to California for Kevin Flora, outfielder. Assigned Flora to Norfolk, IL.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

HOUSTON—Put Mario Elie, guard-forward, on injured list. Signed Henry James, forward.

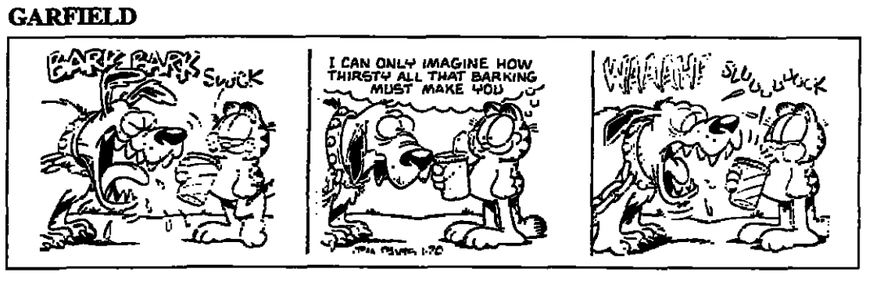
DOONESBURY FLASHBACK

WIZARD of ID

PEANUTS

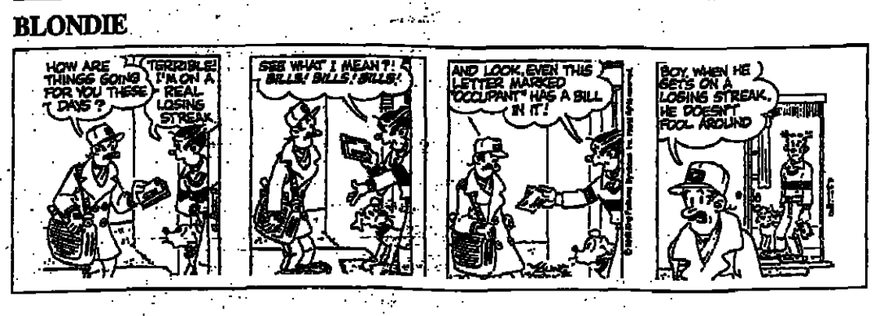
CALVIN AND HOBBES

GARFIELD

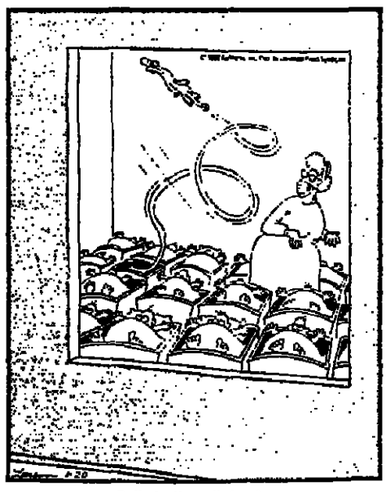


BEETLE BAILEY

BLONDIE



THE FAR SIDE



Belly button slipknots.

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

MUJOB

OBOAT

TIPPUL

LARCOR

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon

Print answer here: "____" ____ (Answers Monday)

Yesterday's Jumbles: NOTCH RAVEN FIERCE SMUDGE
Answer: What he faced when he married the mother of two — "MINOR" CHANGES

DAVE BARRY

Fear of Hospital Flameouts

MIAMI — I will frankly admit that I am afraid of medical care. I trace this fear to my childhood, when, as far as I could tell, the medical profession's reaction to every physical problem I developed, including nearsightedness, was to give me a tetanus shot. "You'll hardly feel it!" they'd say, coming at me with a needle the size of a harpoon.

As a child, I was more afraid of tetanus shots than, for example, Dracula. Granted, Dracula would come into your room at night and bite into your neck and suck out all your blood, but there was a positive side to this; namely, you could turn into a bat and stay out all night. Whereas I could see no pluses with the tetanus shot.

Of course today I no longer have this childish phobia, because, as a mature adult, I can lie. "I just had a tetanus shot this morning!" I can say, if the issue ever arises. "Eight of them, in fact!"

□

But I'm still afraid of medical care. And I'm not encouraged by TV medical dramas such as "ER." If you watch these shows, you've probably noticed that whenever some pathetic civilian gets wheeled into the emergency room, he or she is immediately pounced upon by enough medical personnel to form a hospital softball league:

FIRST DOCTOR: I'll give him a shot!

SECOND DOCTOR: I'll pound his chest!

THIRD DOCTOR: I'll stick a tube way up his nose!

FOURTH DOCTOR: I'll find an unoccupied section of his body and cut it open for no good reason!

JANITOR: I'll wash his mouth out with a toilet brush!

Now you're probably saying: "Dave, you big baby, those are just TV SHOWS. In real life, bad things do not happen to people who fall into the hands of medical care."

Excuse me for one second while I laugh. Because I happen to be holding in my hand a bulletin-board notice that was sent to me by a Vermont orthopedic surgeon named either "David H. Bahnson MD" or "Oee Bali," depending on whether you're reading his letterhead or his signature.

Bahnson told me, in a phone interview, that he found this notice over the "scrub sink," which is the place where doctors wash their hands after they operate so that they won't get flecks of your vital organs on their Lexus upholstery. Bahnson said that this notice had been prominently displayed there for several months. It is titled — I am not making this up — "EMERGENCY PROCEDURE: FIGHTING FIRE ON THE SURGICAL PATIENT."

The bulletin-board notice discusses two types of situations: "small fire on the patient" and "large fire on the patient." There are step-by-step instructions for dealing with both of these; Step 3 under "large fire on the patient," for example is: "Care for the patient."

I was surprised that the procedure was so definite. You'd think that, what with all these medical lawsuits, the instructions would call for more caution on the part of the doctors. ("Mrs. Dweemer, we think you might be on fire, but we won't know for sure until we have a specialist fly in from Switzerland to take a look.") Now before I get a lot of irate mail from the medical community, let me stress that not all surgical patients catch on fire. Some also explode. I am referring here to a November article from the Medical Post headlined: "Beware Exploding Patients." This article states that nitrous oxide — sometimes used as an anesthetic in stomach surgery — can get mixed up with intestinal gases, which have been proven to be highly combustible in countless scientific experiments conducted in fraternity houses. If this mixture is ignited by a spark from a surgical implement, the result can be what the article refers to as "intra-abdominal fires."

One expert is quoted as saying — I swear this is a real quote — "Patients aren't exploding all over, but there is the potential for it."

Ha ha! I certainly am feeling reassured! No, really, I'm sure we're talking about a very small number of patients exploding or catching on fire. So if you, personally, are scheduled to undergo surgery, you needn't give this matter another thought, assuming that you have taken the precaution of having a personal sprinkler system installed on your body.

Knight-Ridder Newspapers.

Common Design: Thoughts on the Euro

International Herald Tribune

PARIS — The prefix "Euro" having become synonymous with everything that is dull and bureaucratic about the noble concept of Europe, no one is exactly thrilled by the official name of the new common currency unit. And no one knows what the Euro will look like although designers, historians and even psychologists are working on ideas submitted to the European Monetary Institute in Frankfurt this week.

The British are worried that there will not be room for the queen's head on the new Euro, the Dutch may be justly lamenting the imminent disappearance of

MARY BLUME

their delightful play money, the French are convinced that the new banknote will be the size of their current 50-franc bill. Whatever the Euro looks like, it should be in people's pockets on Jan. 1, 2002, and national currencies cease to be legal tender six months later.

A distinguished graphics designer named Henry Steiner has been thinking about the Euro, not because he is submitting a design (he isn't) but because he is a specialist in cross-cultural design — Vienneseborn, educated in the United States, including studies at Yale under Josef Albers and Paul Rand, and since 1961 a resident of Hong Kong, where his designs include a series of banknotes for Standard Chartered Bank.

Considering the design for a Euro banknote, Steiner's first solution was to replace folding money with a smart card on the grounds that within five years banknotes will be outdated. On the front, the word EUR, in lettering based on Trajan's Column, gives a sense of tradition while the stars of the member countries surround an embedded chip indicating technological advance. The card's reverse could feature a pan-European such as Charlemagne.

A point of the Euro is to give a sense of "we" to the Union's disparate members and citizens. Can a banknote achieve this? Perhaps not, but a smart card can, Steiner said from Hong Kong. "The front of this card would be mirrored so you could see your own face if you want, and presumably as a European citizen that would be good enough."

A Euro smart card, he says, could be as much fun as an old-fashioned baseball card and as flexible, as it could frequently be changed and updated. "Since everyone would have the same front you could have special commemorative scenes on the back — musicians, painters, Asterix for France, Tintin for Belgium, Andy Capp for Britain — though what a politician or a bureaucrat would pick and what a designer or artist would pick are two different things. It could be fun but probably they'll follow the traditional route."

Ideally, instead of a wad of notes, each person would carry just one Euro. Steiner says a decision would have to be made between a system like a telephone card which has a stored value and is used up as one goes along, or a card which has the capacity of taking on money and discharging it.

"The virtue of the first system to the government is that you give them money and they earn interest on it while if it's a more flexible system you are earning the interest."

Security problems would be nil: A complex series of codes would be embedded in the chip and the user would have a PIN number. So pickpockets would be joining the ranks of the unemployed? "Absolutely," Steiner said.

If the smart card seems to the best solution for the Euro (Steiner wishes it were still called the Ecu "because it's a bit sharper, it means escutcheon, and it has a real ring which goes back into history"), Steiner thinks the solution more sensible than attractive: He loves paper.

"I collect Japanese prints and one thing that nobody notices is that they have a certain smell which is very attractive, probably because the paper comes from the mulberry.

"Designers tend to be magpies or pack rats. We love to collect things, we love differences. We love tarot cards, postage stamps and matchbooks, all that stuff. And in a way it's fun to have all those different banknotes, it would be a pity to lose all that."

It would also be a pity for the Euro's designers to fall into cliché, with reproductions of the Little Mermaid or the Manneken Pis or the Eiffel Tower: what Steiner calls Euro-kitsch. A major aim in cross-cultural design is to focus on, and not try to erase, national differences. "You get this kind of Disney World approach where differences are reduced to ethnic costumes and kids holding hands and saying it's a small world after all. Major differences tend to be papered over until they erupt as in Catalonia or the former Yugoslavia."

If differences are fascinating to a cross-cultural designer, so are what Steiner calls symmetries, for instance those he sees between the western and eastern sides of the Eurasian continent. "Right at the tip, you have in strict correspondence to each other France on the one side and China on the other.

"They have many profound resemblances — an obsession with food, with glory, ethnocentricity, a feeling that they are a light unto other nations, an intense hypochondria.

"And they've got little islands offshore which tend to be very formal and concerned with class and language, which are England and Japan — that's why 'My Fair Lady' was such a success in Tokyo, they understood it immediately. And then a little to the north of both of these you have a country which has a lot of the traits of England and Japan, but which tends to be wilder, a lot more primitive, a lot more poetic and very heavy when it comes to drinking, and that's Ireland and Korea. So it's a wonderful set of comparisons and you miss all that if you say we're all the same under the skin."

Henry Steiner's suggestion for a Euro smart card, with Charlemagne on the reverse side.

In addition to heading his own company, Steiner is president of the Alliance Graphique Internationale, where he tries to mediate between what he calls the "designosaurs," influenced by the great French *affichistes*, and the technology-happy "cyberpunks." The Euro smartcard, he thinks, is a good compromise between the two.

Steiner's book, "Cross-Cultural Design: Communicating in the Global Marketplace" (Thames and Hudson) is an anthology of his and other designers' thoughts on differences and symmetries. It includes the Hong Kong banknotes he designed in which he replaced the British armorial bearings by a flower, the Bauhinia Blakeana, a magenta tree orchid named after a former governor.

"It's a vivid, sterile hybrid," Steiner said. "The perfect description of Hong Kong."

PARTINGS

A Celebrity Marriage Made in Never-Never Land

International Herald Tribune

FIRST there was the shock, and then the laughter: The "secret" wedding in the Dominican Republic, the joint stay at Disneyland Paris, the TV interview with hints of children to come, and finally the announcement in Los Angeles Thursday that Lisa Marie Presley had filed for divorce from Michael Jackson.

Once the laughter cleared, the big question remained why the marriage had ever taken place, and the only certainty that it had failed to shore up Jackson's sagging career.

New York celebrity divorce lawyer Raoul Felder suggested the marriage was intended to make Jackson look like a "normal person." "Prolonging the marriage couldn't help him any more," he said. "This was a marriage made to be divorced, that served a purpose."

In a petition filed in Los Angeles superior court and citing irreconcilable differences, Presley said the couple has been separated since Dec. 10, 1995 — four days after Jackson collapsed with an intestinal infection during a rehearsal.

Presley, 27, married Jackson, 37, on May 26, 1994. Last year they insisted in a TV interview that they were a couple — "Do we have sex? Yes! Yes! Yes!"

"The most surprising thing is that they've been able to keep up this charade for as long as they did," said Christopher Anderson, author of "*Michael Jackson, Unauthorized.*" "They've lived separate lives."

The fact that the marriage did nothing for Jackson's reputation — badly stained by allegations of child molesting — was clear from the reaction. "What a shock!" Jay Leno said on "The Tonight Show." "Michael Jackson and Lisa Marie are divorcing. What could have happened? Well, you know what that means . . . kids, he's available."

Despite months of rumors, Presley's move appeared to catch Jackson's public-relations people off guard.

The divorce comes at a low point in his career. Sales of his latest album, "HIStory: Past, Present and Future Book I," have fallen far below expectations. The album also left a sour taste after it turned out to contain anti-Semitic lyrics, part of a general tone of paranoia.

Finally, time has been increasingly unkind to a face altered by repeated plastic surgery and whose uncanny discoloration has made the wholesome young singer for the Jackson Five into a ghoulish middle-aged figure.

WEATHER

Europe

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
Algarve	12/53	8/46 sh	12/53	8/46 t
Amsterdam	1/34	0/32 s	1/34	1/34 s
Ankara	2/35	-4/25 pc	1/34	-7/20 c
Athens	11/52	7/44 c	11/52	6/43 r
Barcelona	12/53	8/46 sh	12/53	7/44 sh
Belgrade	1/34	-2/29 sn	2/35	-3/27 c
Berlin	1/34	-4/25 pc	2/35	-3/27 s
Brussels	1/34	-1/31 s	0/32	0/32 sn
Budapest	0/32	-3/27 sn	2/35	-3/27 s
Copenhagen	2/35	-2/29 s	3/37	-1/31 pc
Costa Del Sol	12/53	11/52 sh	13/55	8/46 t
Dublin	8/46	4/39 sh	8/46	3/37 c
Edinburgh	7/44	4/39 r	7/44	4/39 pc
Florence	9/48	3/37 c	9/48	3/37 c
Frankfurt	1/34	-3/27 s	3/37	-2/29 s
Geneva	5/41	1/34 s	6/43	1/34 r
Helsinki	2/35	-5/24 s	2/35	-5/24 s
Istanbul	7/44	2/35 r	7/44	2/35 c
Las Palmas	18/68	13/55 c	21/70	15/59 c
Lisbon	10/50	7/44 r	11/52	7/44 t
London	8/46	3/37 pc	7/44	4/39 r
Madrid	10/50	4/39 sh	9/48	1/34 r
Milan	4/39	0/32 pc	3/37	1/34 sn
Moscow	-6/22	-12/11 pc	-8/18	-13/9 c
Munich	2/35	-4/25 pc	3/37	-3/27 pc
Nice	11/52	6/43 c	10/50	6/43 sh
Oslo	-1/31	-7/20 pc	-1/31	-5/24 c
Mallorca	11/52	10/50 sh	12/53	8/46 sh
Paris	8/46	3/37 pc	7/44	3/37 r
Prague	-1/31	-5/22 pc	1/34	-4/25 pc
Reykjavik	3/37	1/34 r	5/41	1/34 c
Rome	9/48	7/44 c	11/52	4/39 c
St. Petersburg	-3/27	-10/14 pc	-3/27	-9/16 s
Stockholm	1/34	-4/25 s	1/34	-3/27 pc
Strasbourg	4/39	-1/31 s	5/41	0/32 pc
Tallinn	1/34	-4/25 s	1/34	-5/24 s
Venice	4/39	1/34 c	6/43	1/34 c
Vienna	-1/31	-4/25 c	1/34	-3/27 c
Warsaw	-2/29	-6/22 sl	-1/31	-5/24 pc
Zurich	4/39	-2/29 s	5/41	-1/31 pc

Oceania

Auckland	22/71	16/61 pc	23/73	16/61 pc
Sydney	27/80	19/66 c	27/80	19/66 pc

Forecast for Sunday through Tuesday, as provided by AccuWeather.

North America
Cold in the East Sunday into Monday with a chance of flurries. Another moderating trend will begin Tuesday. A bit of snow or flurries Sunday in Chicago and Toronto, then a chance of rain or freezing rain. Stormy on the West Coast Sunday and Monday, and in the Rockies Tuesday.

Europe
A large storm will cause heavy rain in sections of Spain and Portugal, with snow possible in the mountains. The rain will spread into France and parts of Italy, accompanied by gusty winds. The Alps will have high winds with heavy rain and snow. A little rain will reach England.

Asia
Some rain will spread from Shanghai to southern Japan Sunday and Monday, but northern areas including Beijing and most of Korea, will stay mainly dry, and eventually rather cold. It will shower at times in Hong Kong and Taiwan. Singapore will be warm with little rain.

Middle East

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
Abu Dhabi	20/68	17/62 c	18/68	13/55 c
Beirut	14/57	11/52 pc	16/61	11/52 pc
Cairo	14/57	8/46 pc	16/61	8/46 pc
Damascus	8/46	4/39 c	11/52	3/37 pc
Jerusalem	10/50	7/44 pc	12/53	6/43 pc
Luxor	22/71	6/43 s	24/75	4/39 s
Riyadh	20/68	11/52 c	18/64	7/44 c

Africa

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
Algiers	13/55	11/52 r	17/62	11/52 c
Cape Town	28/82	16/61 s	31/88	19/66 s
Casablanca	11/52	11/52 r	13/53	7/44 c
Harare	17/62	11/52 t	18/64	7/44 t
Lagos	31/88	24/75 pc	30/86	24/75 pc
Nairobi	23/73	9/48 pc	24/75	11/52 c
Tunis	13/55	8/46 pc	14/57	6/43 pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, I-ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

Asia

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
Bangkok	32/89	23/73 pc	30/86	23/73 pc
Beijing	0/32	-8/18 s	-3/27	-7/20 pc
Hong Kong	16/61	12/53 pc	19/66	16/61 pc
Manilla	30/86	24/75 pc	31/88	23/73 pc
New Delhi	23/73	8/46 s	24/75	9/48 s
Seoul	-1/31	-9/16 pc	2/35	-6/18 s
Shanghai	5/41	1/34 pc	6/43	4/39 c
Singapore	28/82	24/75 pc	29/84	24/75 pc
Taipei	18/68	14/57 c	21/70	16/61 c
Tokyo	8/46	-1/31 c	9/48	0/32 pc

Latin America

Buenos Aires	23/64	17/62 pc	30/86	19/66 pc
Caracas	28/82	19/66 pc	29/84	18/64 pc
Lima	24/75	19/66 c	24/75	20/68 pc
Mexico City	23/73	6/43 s	22/71	5/41 pc
Rio deJaneiro	30/86	24/75 c	29/84	24/75 pc
Santiago	28/79	12/53 s	27/80	11/52 s

North America

Anchorage	-6/22	-15/6 s	-6/24	-14/7 pc
Atlanta	4/39	1/34 pc	9/48	1/34 pc
Boston	0/32	-6/22 pc	1/34	-4/25 pc
Chicago	-8/18	-10/15 c	-3/27	-8/18 sf
Denver	7/44	-11/13 s	11/52	-7/20 s
Detroit	-5/22	-10/15 c	-2/29	-9/18 c
Honolulu	25/79	21/70 sh	28/82	20/68 pc
Houston	18/64	7/44 pc	19/66	8/43 pc
Los Angeles	19/66	10/50 s	21/70	8/46 pc
Miami	22/71	19/66 s	27/80	18/64 pc
Minneapolis	-1/31	-17/2 c	-7/20	-13/9 pc
Montreal	-9/16	-17/2 pc	-7/20	-14/7 c
Nassau	27/80	21/70 pc	29/82	21/70 pc
New York	0/32	-4/25 s	0/32	-5/22 pc
Phoenix	18/64	5/41 s	21/70	8/46 s
San Fran.	14/57	8/46 c	12/53	8/43 r
Seattle	6/43	1/34 r	7/44	2/35 r
Toronto	-8/18	-16/4 pc	-4/25	-13/9 pc
Vancouver	6/43	0/32 sh	2/35	-1/31 c
Washington	1/34	-6/22 s	1/34	-4/25 pc

PEOPLE

THE Duchess of York, whose bank has cracked down on her £3 million ($4.5 million) overdraft, arrived in Washington with her two daughters, the princesses **Beatrice** and **Eugenie**, to a fanfare of British tabloid reporters shouting such questions as: "Who's paying the bill?" The duchess, the former **Sarah Ferguson**, 36, checked into the Four Seasons hotel, where rooms go for $600 to $1,600 a night. This week, **Queen Elizabeth II** issued a highly unusual announcement that the duchess was on her own financially and would get no more royal handouts. When she separated from **Prince Andrew** in 1992, the queen gave her a one-time payment of $3 million to take care of herself and her children. The money is reportedly long gone as a result of the duchess's jet-setting lifestyle, large personal staff, and lavish trans-Atlantic shopping sprees. She told one London tabloid: "The palace is out to get me." Meanwhile, The Times of London reported that on a recent New York trip, she spent $4,560 on shoes in 30 minutes, $15,200 on clothes in one month last year and runs up more than $6,000 in phone bills every three months.

□

Following a pattern set by U.S. film critics, the Screen Actors Guild recognized the cast of "Leaving Las Vegas" in nominations for the union's acting awards. The film's two stars, **Nicolas Cage** and **Elisabeth Shue**, were nominated in the leading male and female acting categories for the second annual awards. Also nominated for lead actor were **Anthony Hopkins** for "Nixon," **James Earl Jones** for "Cry, the Beloved Country," **Sean Penn** for "Dead Man Walking" and the late **Massimo Troisi** for "The Postman." In the lead actress race, Shue will face **Joan Allen** for "Nixon," **Susan Sarandon** for "Dead Man Walking," **Meryl Streep** for "The Bridges of Madison County" and **Emma Thompson** for "Sense and Sensibility."

□

Ilie Nastase is planning a midlife career change, if he can get enough votes. The former tennis star, who was the world No. 1 for a while in the early '70s, is running for mayor of Bucharest, the capital of his native Romania. He said it pains him to see the city in such a sorry state. Nastase, 49, a leader of Romania's ruling Social Democracy party, said he even has his slogan ready: "Ilie Nastase — an honest person."

□

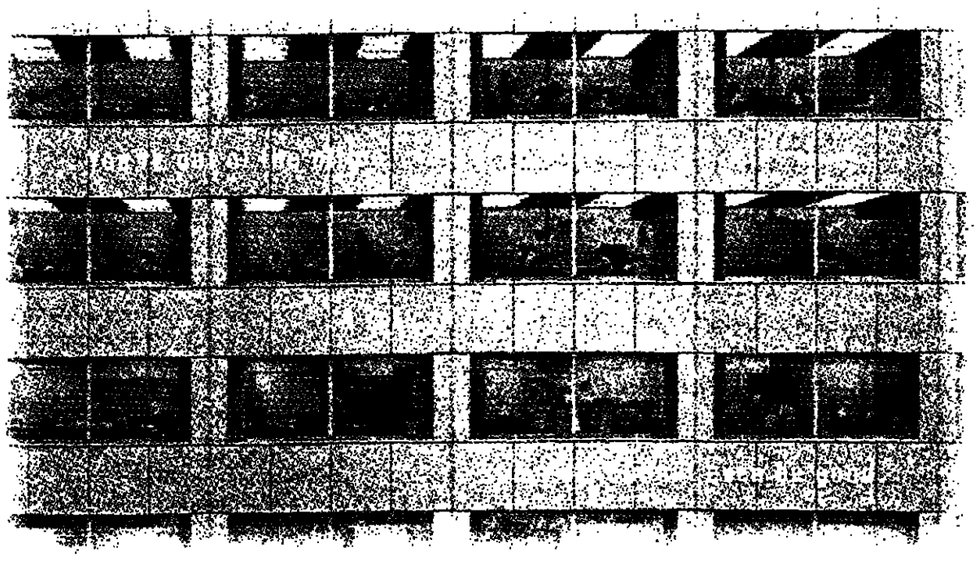
It won't be much consolation if he goes to jail, but the French businessman **Bernard Tapie** is aiming for movie stardom. He was shooting scenes for "Men, Women: Instructions for Use" by director **Claude Lelouch**, and starring **Anouk Aimée** alongside Tapie. Shooting was taking place on a set closed, above all, to journalists at the Hôtel Crillon on the Place de la Concorde in Paris this week. The script was written in a hurry and filming is proceeding at a brisk pace because of Tapie's legal woes. Only a few months after Tapie signed to make the movie, an appeals court sentenced the businessman and sometime cabinet member of the former Socialist government to eight months in prison with another 16 months suspended for rigging matches for his Marseille Olympique soccer team and interfering with witnesses

□

Apparently no one ignites Argentine passions more than **Madonna**, **Antonio Banderas** and **Alan Parker**. A Peronist member of Parliament, **Marta Rivadera**, wants the actors and the filmmaker declared personae non grata for what is expected to be their unflattering portrayal of the legendary first lady Evita Perón. Parker is in Buenos Aires to shoot his version of the hit Broadway musical "Evita" in which Madonna is cast as Evita and Banderas as the Communist rebel Ernesto (Che) Guevara. Rivadera, called the production "an attack on our history" and "offensive to our dignity."

Rose Prouser/Reuters

MAGNUM OPUS — Jay Thomas, Glenne Headly and Richard Dreyfuss, who star in "Mr. Holland's Opus," humming it up at the L.A. opening.



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